



**Department of Personnel & Administration
FY 2007-08 Supplementals with FY 2008-09 Budget Amendments
January 2, 2008**



Summary Schedules



FY 2008 - 09

COLORADO DEPARTMENT OF PERSONNEL AND ADMINISTRATION
SCHEDULE 10 Revised - Summary of FY 2008-09 Decision Items & Budget Amendments - January 2, 2008

Priority	IT Request	Title	Total Funds	FTE	General Fund	Cash Funds	Cash Funds Exempt	Federal Funds
<u>DPA Decision Items & Budget Amendments</u>								
#1	no	State Archives Refinance and Funding Supplement	\$32,235		\$50,245	\$15,142	(\$33,152)	
#1A	no	Technical Corrections	\$140,788				\$140,788	
#1B	no	Fleet Operating	\$2,402,649				\$2,402,649	
#1C	no	Training Services Refinance	\$0			\$44,770	(\$44,770)	
#2	no	HIPAA Bi-annual Risk Assessment	\$35,000				\$35,000	
#2A	no	Green Fleet Coordinator	\$53,273	1.0			\$53,273	
#3	no	Facilities Maintenance Budgetary Consolidation	\$0				\$0	
FY 09 DPA Decision Item & Budget Amendment Totals			\$2,663,945	1.0	\$50,245	\$59,912	\$2,553,788	\$0
<u>Statewide Common Policy Decision Items & Budget Amendments</u>								
#1	no	Fleet Replacements -	(\$443,160)				(\$443,160)	
		Fleet Replacements (DPA Allocation)	(\$15,322)				(\$15,322)	
#1A	no	GGCC True-up/TMU Refinance	\$1,412,415		(\$3,200,667)	\$7,531	\$4,605,551	
#1B	no	Capitol Complex True-up	\$2,211		\$346		\$1,865	
#2	no	MNT Telecomm Truth-in-Rates (DPA Allocation)	\$4,950				\$4,950	
#2A	no	MNT FY 2008-09 True-up (DPA Allocation)	\$58,485				\$58,485	
#2B	no	Risk Management True-up	(\$372,268)		(\$1,109)	\$4,989,531	(\$5,360,690)	
#3	no	C-SEAP Program Funding	\$357,989	5.5			\$357,989	
		C-SEAP Program Funding (DPA Allocation)	\$3,144				\$3,144	
FY 09 Statewide Common Policy Decision Item & Budget Amendment Totals			\$1,008,444	5.5	(\$3,201,430)	\$4,997,062	(\$787,188)	\$0
<u>Non Prioritized Budget Amendments</u>								
NP#1	no	State Fleet Spending Authority to correspond to CDHS Request S-1	\$11,185				\$11,185	
NP #2	no	CDLE Mail Increase	\$1,266,756				\$1,266,756	
NP #3	no	State Fleet Spending Authority to correspond to CDPS Request S-1	\$3,840				\$3,840	
FY 09 Non-Prioritized Budget Amendment Totals			\$1,281,781	0.0	\$0	\$0	\$1,281,781	\$0
Total of All Requests			\$4,954,170	6.5	(\$3,151,185)	\$5,056,974	\$3,048,381	\$0

Shaded Items Reflect FY 2008-09 Budget Amendments with associated Supplementals as submitted January 2, 2008

Non-shaded items reflect FY 2008-09 Decision Items submitted as part of the Executive Budget Request on November 1, 2007

	DPA & Statewide Supplementals to Date for the FY 08-09 Budget Cycle					
	Schedule 11 - Prioritized Requests					
		FY 07-08 Supplementals				
Suppl Priority #	Request	FTE	Total	General Fund	Cash Funds	Cash Funds Exempt
<u>Statewide Requests</u>						
SW #1	GGCC True-up/TMU Refinance		\$1,856,331	(\$2,692,199)	\$7,240	\$4,541,290
SW #2	Capitol Complex True-up		\$5,701	\$8,955		(\$3,254)
SW #3	MNT True-up		\$60,514			\$60,514
SW #4	Communication Services		(\$300)	(\$300)		
SW #5	Admin Law Judges True-up		\$1,958			\$1,958
SW #6	Risk Management True-up		\$669,424	(\$102,223)	\$2,404,483	(\$1,632,836)
SW #7	Vehicle Lease Reconciliation		\$1,116,268			\$1,116,268
<u>DPA Requests</u>						
DPA #1	Technical Corrections		\$140,788	\$722,090		(\$581,302)
DPA #2	Archives		\$0	\$33,185		(\$33,185)
DPA #3	DSG - CBI Grant Spending Authority		\$274,560			\$274,560
DPA #4	Fleet Operating		\$2,402,649			\$2,402,649
DPA #5	Training Services Refinance		\$0		\$44,770	(\$44,770)
DPA #6	Green Fleet Coordinator	0.3	\$16,174			\$16,174
<u>Non Prioritized Requests</u>						
NP#1	State Fleet Spending Authority - DHS S-1		\$2,796			\$2,796
NP #2	CDLE Mail Increase		\$950,067			\$950,067
NP #3	State Fleet Spending Authority - CDPS S-1		\$0			\$0
	Total	0.3	\$7,496,930	(\$2,030,492)	\$2,456,493	\$7,070,929
Shaded Items Reflect Both Supplemental AND Budget Amendment						

	DPA & Statewide Budget Amendments to Date for the FY 08-09 Budget Cycle					
	Schedule 12 - Prioritized Requests					
		FY 08-09 Budget Amendments				
BA Priority #	Request	FTE	Total	General Fund	Cash Funds	Cash Funds Exempt
<u>Statewide Requests</u>						
SW #1	GGCC True-up/TMU Refinance		\$1,412,415	(\$3,200,667)	\$7,531	\$4,605,551
SW #2	Capitol Complex True-up		\$2,211	\$346		\$1,865
SW #3	MNT True-up		\$58,485			\$58,485
SW #4	Risk Management True-up		(\$372,268)	(\$1,109)	\$4,989,531	(\$5,360,690)
<u>DPA Requests</u>						
DPA #1	Technical Corrections		\$140,788			\$140,788
DPA #2	Fleet Operating		\$2,402,649			\$2,402,649
DPA #3	Training Services Refinance		\$0		\$44,770	(\$44,770)
DPA #4	Green Fleet Coordinator	1.0	\$53,273			\$53,273
<u>Non Prioritized Requests</u>						
NP #1	State Fleet Spending Authority - DHS S-1		\$11,185			\$11,185
NP #2	CDLE Mail Increase		\$1,266,756			\$1,266,756
NP#3	State Fleet Spending Authority - CDPS S-1		\$3,840			\$3,840
	Total	1.0	\$4,979,334	(\$3,201,430)	\$5,041,832	\$3,138,932

Statewide Requests



FY 2008 - 09

Schedule 13
Change Request for FY 08-09 Budget Request Cycle

Request Title: GGCC Statewide Supplemental True-up and Technology Management Unit Refinance
 Department: Personnel & Administration
 Priority Number: Statewide Supplemental #1, Statewide BA #1

Decision Item FY 08-09 ☐ Base Reduction Item FY 08-09 ☐ Supplemental FY 07-08 ☒ Budget Request Amendment FY 08-09 ☒

Dept. Approval by: *[Signature]* Date: January 2, 2008
 OSPB Approval: *[Signature]* Date: 12/21/07

		1	2	3	4	5	6	7	8	9	10
	Fund	Prior-Year Actual FY 06-07	Appropriation FY 07-08	Supplemental Request FY 07-08	Total Revised Request FY 07-08	Base Request FY 08-09	Decision/ Base Reduction FY 08-09	November 1 Request FY 08-09	Budget Amendment FY 08-09	Total Revised Request FY 08-09	Change from Base (Column 5) FY 09-10
Total of All Line Items	Total	7,280,117	5,968,636	1,856,331	7,824,967	6,267,923	0	6,267,923	1,412,415	7,680,338	1,412,415
	FTE	34.10	35.50	0.00	35.50	35.50	0.00	35.50	0.00	35.50	0.00
	GF	6,383,007	5,386,378	(2,692,199)	2,694,179	5,648,710	0	5,648,710	(3,200,667)	2,448,043	(3,200,667)
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	0	0	7,240	7,240	0	0	0	7,531	7,531	7,531
	CFE	897,110	582,258	4,541,290	5,123,548	619,213	0	619,213	4,605,551	5,224,764	4,605,551
	FF	0	0	0	0	0	0	0	0	0	0
(1) Executive Office	Total	3,857,882	2,554,882	1,856,331	4,411,213	2,717,039	0	2,717,039	1,412,415	4,129,454	1,412,415
Purchase of Services	FTE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
from Computer Center	GF	2,995,195	1,972,624	721,555	2,694,179	2,097,826	0	2,097,826	350,217	2,448,043	350,217
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	0	0	7,240	7,240	0	0	0	7,531	7,531	7,531
	CFE	862,687	582,258	1,127,536	1,709,794	619,213	0	619,213	1,054,667	1,673,880	1,054,667
	FF	0	0	0	0	0	0	0	0	0	0
(6) Division of	Total	3,126,393	2,916,378	0	2,916,378	3,021,513	0	3,021,513	0	3,021,513	0
Information Technology	FTE	34.10	35.50	0.00	35.50	35.50	0.00	35.50	0.00	35.50	0.00
(H) Technology	GF	3,091,970	2,916,378	(2,916,378)	0	3,021,513	0	3,021,513	(3,021,513)	0	(3,021,513)
Management Unit,	GFE	0	0	0	0	0	0	0	0	0	0
Personal Services	CF	0	0	0	0	0	0	0	0	0	0
	CFE	34,423	0	2,916,378	2,916,378	0	0	0	3,021,513	3,021,513	3,021,513
	FF	0	0	0	0	0	0	0	0	0	0
(6) Division of	Total	295,842	497,376	0	497,376	529,371	0	529,371	0	529,371	0
Information Technology	FTE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Management Unit,	GF	295,842	497,376	(497,376)	0	529,371	0	529,371	(529,371)	0	(529,371)
Operating Expenses	GFE	0	0	0	0	0	0	0	0	0	0
	CF	0	0	0	0	0	0	0	0	0	0
	CFE	0	0	497,376	497,376	0	0	0	529,371	529,371	529,371
	FF	0	0	0	0	0	0	0	0	0	0

Schedule 13
Change Request for FY 08-09 Budget Request Cycle

Request Title: Decision Item FY 08-09 ☐ Base Reduction Item FY 08-09 ☐ Supplemental FY 07-08 ☒ Budget Request Amendment FY 08-09 ☒
 GGCC Statewide Supplemental True-up and Technology Management Unit Refinance
Department: Personnel & Administration **Dept. Approval by:** **Date:** January 2, 2008
Priority Number: Statewide Supplemental #1, Statewide BA #1 **OSPB Approval:** **Date:**

		1	2	3	4	5	6	7	8	9	10
	Fund	Prior-Year Actual FY 06-07	Appropriation FY 07-08	Supplemental Request FY 07-08	Total Revised Request FY 07-08	Base Request FY 08-09	Decision/ Base Reduction FY 08-09	November 1 Request FY 08-09	Budget Amendment FY 08-09	Total Revised Request FY 08-09	Change from Base (Column 5) FY 09-10

Letternote revised text:

Cash Fund name/number, Federal Fund Grant name: COFRS Fund 602 (Computer Services Revolving Fund)

IT Request: ☒ Yes ☐ No

Request Affects Other Departments: ☒ Yes ☐ No

If Yes, List Other Departments Here: Departments of Agriculture, Corrections, Education, Offices of the Governor, Health Care Policy & Financing, Higher Education, Human Services, Judicial, Labor & Employment, Law, Legislature, Local Affairs, Military & Veterans' Affairs, Natural Resources, Personnel & Administration, Public Health & Environment, Public Safety, Regulatory Agencies, Revenue, State, Transportation, and Treasury

CHANGE REQUEST for FY 2007-08

Department:	Colorado Department of Personnel & Administration
Priority Number:	Statewide Supplemental #1, Statewide Budget Amendment #1
Change Request Title:	GGCC Statewide Supplemental True-up and Technology Management Unit Refinance

SELECT ONE (click on box):

- ☐ Decision Item FY 08-09
- ☐ Base Reduction Item FY 08-09
- ☒ Supplemental Request FY 07-08
- ☒ Budget Request Amendment FY 08-09
- ☐ Supplemental Request FY 06-07

SELECT ONE (click on box):

Supplemental or Budget Request Amendment Criterion:

- ☐ Not a Supplemental or Budget Request Amendment
- ☐ An emergency
- ☐ A technical error which has a substantial effect on the operation of the program
- ☒ New data resulting in substantial changes in funding needs
- ☐ Unforeseen contingency such as a significant workload change

Short Summary of Request:

This statewide Supplemental and Budget Amendment Request adjusts the distribution of appropriations to all departments utilizing services from the Department of Personnel & Administration's Data Center (also known as the General Government Computer Center) and the Technology Management Unit (TMU). The request essentially includes four components. First, the request realigns all department appropriations for the Purchase of Services from the Computer Center (GGCC) based upon updated final utilization data for FY 2006-07. The request also includes an update to the total recoverable program costs. In addition, the request addresses concerns from federal auditors related to the distribution of prior year over and under collections by agency and by service from FY 2006-07 by making a budget to actual adjustment to the current year allocations that incorporates the results of the prior year analysis by service and by agency. Finally, the fourth adjustment refinances the Division of Information Technology, Technology Management Unit (TMU).

The total statewide request includes an increase of approximately \$3.8 million in appropriations and anticipated billings for GGCC beginning in the current fiscal year as a result of the refinance of TMU; however, significant General Fund savings estimated to be in excess of \$1 million are anticipated to be realized. Refer to the “calculations for request” later in this request for individual adjustments for State agency customers, a summary of FY 2007-08 recoverable costs, and detail associated with the refinance of TMU. The DPA customer share of this statewide request, as reflected on the attached Schedule 13, is for an increase of \$1,856,331 total funds (\$721,555 General Fund) to the Executive Office, Purchase of Services from Computer Center line item for FY 2007-08 and \$1,412,415 (and \$350,217 General Fund) for FY 2008-09.

Background and Appropriation History:

The Division of Information Technologies (DoIT) is responsible for the management and operation of the State's Data Center. In this capacity, DoIT plans, manages, operates and delivers the computing infrastructure to customer entities, which includes all State agencies and certain institutions of higher education. The computing infrastructure includes database, application and web servers for several departments, as well as the State's general mainframe computer and tape, disk and printing resources for mainframe and server environments. The Division manages the operating system, transaction processing scheduling and systems management software associated with these resources. DoIT is responsible for the management and operation of statewide and selected individual customer systems. Its operations personnel maintain and operate the computer room on a 24-hour, seven day a week basis, 365 days a year. The technical support staff is responsible for maintenance of the operating systems and support software including databases. Some service delivery options available include the following:

- Anti-spam/Anti-virus e-mail filtering
- Database, storage and middleware services
- E-mail operations
- Network and mainframe batch printing
- Server hosting
- Virtual server administration

Note that DoIT Computer Services, along with its appropriated resources, is essentially the statewide Data Center. The costs of doing business each fiscal year, which would include any spending authority and program resources approved and appropriated as a result of JBC action (also known as recoverable program costs) are recovered through the GGCC Common Policy annually and the resulting allocations and billings to customer agencies and institutions.

Customer demand for GGCC services has continued to grow rapidly in recent years. For example, services offered have grown from only a handful to more than twenty managed service offerings currently, which is another example that is indicative of the growth trend in information technology service level offerings. This rapid growth has been largely accommodated through the use of virtual servers whenever possible and by standardizing and automating GGCC operating procedures to date. Further, the general cyber security threat has also grown in recent years, and the Division has implemented and is in the process of multiple security initiatives that are intended to ensure that the common IT infrastructure shared by many State agencies is secure enough to meet evolving standards, challenges, and best practices. Several of these projects are joint projects with the Governor's Office of Information Technology (OIT).

The General Government Computer Center (GGCC) changed to a cost allocation billing methodology in FY 2001-02. This methodology establishes department appropriations based upon historical usage patterns. Departments are charged a fixed monthly fee that is 1/12 of the departments' appropriation. To summarize the cost allocation methodology, as reflected on the DoIT website: *"The Data Center uses a Fixed Allocation method for billing for services for State agencies. The fixed allocation method is based on projected costs to deliver services and customer historical/actual utilization from previous fiscal years. The method develops a percentage for each state department by taking the whole of all consumed services and allocating the portion that each department utilized. This percentage is then used as the factor to determine the dollars appropriated for Data Center payment based on projected cost of delivering the service."*

Due to State budgetary submission deadlines not all the actual information is available when creating cost estimates for a new budget year. DPA, in collaboration with the OSPB, corrects this budgetary estimate once final figures are available by use of a mid-year supplemental adjustment each year. This adjustment ensures that departments are getting charged for actual utilization by always going back (at our first budgetary opportunity) to true up our estimates to actual utilization and the related billing."

Finally, note that in prior years, a footnote to the Long Bill required that an annual mid year review of the cost allocation methodology for General Government Computer Center services be submitted to the JBC for review no later than January 1 for statewide supplemental consideration. This footnote was eliminated from the Long Bill in recent fiscal years, however, JBC staff noted during figure setting for FY 2004-05 that while the footnote was no longer necessary that the Department and the Committee have established the necessary expectations regarding the need for an annual supplemental for this program.

General Description of Request:

Specific adjustments identified in the current request are as follows:

Updates to Recoverable Costs

The Department has included in this request a revision to the costs to be recovered through the historical cost allocation methodology. This is consistent with all previously submitted supplemental mid-year true-ups for GGCC which have always included similar updated program cost estimates for the Data Center. The Department is merely seeking to recover its costs, which is required by statute, and would not be possible without adding the updated cost basis to the cost allocation model. It is necessary to adjust the program cost estimates for the Data Center in the true-up supplemental due to timing issues. For example, the FY 2007-08 Common Policy for this program was initially developed in July/August 2006. This was prior to the development of the Department's initial base budget estimate in August, prior to the Department's November 1st budget submission to the JBC, and prior to the JBC figure setting process. Therefore, the Department develops

the Data Center Common Policy based upon historical base budget adjustments rather than upon current fiscal year budget adjustments approved by OSPB or the JBC. This is not problematic as the Common Policy figures included in the Long Bill each year are simply initial estimates of recoverable program costs and allocations to agencies, to be updated through the annual supplemental true-up process.

The majority of the cost basis for the Data Center for FY 2007-08 as contained in this request is based upon the FY 2007-08 program appropriations, program allocations from central appropriations and allocated salary POTs. Therefore, the Joint Budget Committee has already approved the majority of departmental costs. This supplemental seeks, in part, to ensure that the Department is able to recover costs equal to these approved appropriations.

Updates to Utilization

In each of the past several fiscal years the Department submitted supplemental requests to adjust departmental appropriations based upon the most recent full-year utilization data available at the time. This request includes updates to incorporate final FY 2006-07 utilization data, which along with updated program cost estimates and other adjustments will result in a realignment of GGCC allocations statewide for the current fiscal year.

Budget to Actual Adjustment for prior year over/under collection

This request includes an adjustment related to the distribution of prior year over and under collections by agency and by service from FY 2006-07 (consistent with the prior year request) as referenced in the summary of the request. This “retroactive” adjustment for the past fiscal year, calculated by agency and by service, results in the need for an additional net adjustment for each agency (an additional allocation to an agency that is positive in some cases due to a prior year undercollection, and negative in cases of overcollection in the prior year). The aggregate adjustment statewide that is calculated for FY 2006-07 results in an additional increase of \$406,752 to agency billings, which is

included in the final agency supplemental allocations reflected in the “calculations for request”.

For reference, the federal Division of Cost Allocation (DCA) is the agency that reviews cost proposals associated with indirect cost plans, or the allocation of administrative costs (i.e. cost allocation models) to determine whether they meet with federal cost principles. This review is the basis that allows the State and its associated programs to claim, and the federal government to reimburse, approved costs. The primary concern expressed by the DCA in the past has been to ensure that when they review each service individually and by agency, that there is no cross-subsidization where one service is subsidizing another, and that no federal programs were inappropriately being overcharged and were in effect subsidizing non-federal programs. Prior to FY 2005-06, DPA initiated a “rate refresh” for GGCC services, which was approved by the DCA to be implemented and incorporated into the existing cost allocation model. However, one of the things that the rate refresh accomplished was to provide the Department with an ability to capture utilization and associated costs by individual service, rather than in aggregate as in the past. Once this was done, the DCA expressed concerns that the Department needed to translate data in a manner that would identify whether individual agencies were over or undercharged for each specific service that they utilize. For each agency, the over/under adjustment for each service is aggregated resulting in a total positive or negative adjustment for that agency for the fiscal year in question that is incorporated into the current request for FY 2007-08. This request captures the necessary adjustment for FY 2006-07 based upon negotiations with the DCA.

As referenced previously, please refer to the “calculations for request” later in this document for the updated recoverable costs for GGCC for FY 2007-08, updated utilization by customer agency, and the revised FY 2007-08 allocations and subsequent billings for customer agencies. Included in that documentation are the necessary prior year adjustments by customer agency that have been discussed in this portion of the request. For reference, in any cases where the resulting final allocation for an agency for FY 2007-08 is negative, the Supplemental appropriation for that agency should be

reduced to \$0 and the balance due will be credited back to the applicable department via a prior period accounting adjustment in the Colorado Financial Reporting System.

Refinance of the Technology Management Unit

The annual appropriations for this program have historically contained in excess of \$3 million of General Fund, and the current request incorporates the statewide application support services provided by TMU for the benefit of agencies into the GGCC cost allocation model beginning in FY 2007-08. This is done for two primary reasons; first, the refinance should provide in excess of \$1 million of statewide General Fund relief {note that this assumption is based generally on the conclusion that while nearly \$3.5 million of program General Fund appropriations are being refinanced, billings to agencies for services provided, will likely result in approximately \$2.1 million (60%) worth of additional General Fund need in agencies to address the associated increase in annual GGCC billings}. As such, in this simplistic example, net savings would be based on the ~\$3.5 million refinance less the ~\$2.1 million in additional General Fund need in agencies (partially offset by the additional spending authority requested for Applicant Data System upgrades and additional staffing costs in TMU). The second driver for the request is the fact that the majority of the services provided by the Technology Management Unit are statewide computing related functions, whether related to applications or infrastructure, which are utilized by the majority of State agencies to some degree. In addition, data necessary to capture utilization of this unit has historically been captured by the Office of the State Controller in the context of the Statewide Indirect Cost Plan. As such, these items are a natural fit in the context of the GGCC cost allocation model and its associated billings.

This portion of the request is beneficial not only because of the net General Fund savings and the statewide nature of services provided by TMU, but also because it positions TMU to justify and secure additional resources over time, and as determined necessary, to provision agency specific and statewide needs without a 100% General Fund impact (while still providing the opportunity for significant General Fund savings statewide).

Consequences if Not Funded:

If this request is not approved and funded, there would be no FY 2007-08 realignment to State agency appropriations and billings to reflect updated utilization and program costs. This would inequitably result in some agencies essentially being under billed for GGCC, while other agencies would unfairly be burdened by being forced to pay for billings in excess of utilization. In addition, this scenario would not allow the Department to recover its costs as statutorily required, and could result in cross-subsidization and other inequitable billings/allocations, which would likely lead to federal audit concerns. This alternative is not recommended, as it would leave current year appropriations at a level that was originally calculated based on FY 2005-06 (not FY 2006-07) utilization, includes cost basis assumptions that are nearly a year out of date, and would ignore the concerns of the DCA, which could result in the loss of federal funding.

Further, under this alternative the potential for significant statewide General Fund savings from the TMU refinance would not be realized and the aggregate statewide reduction in billings based on the FY 2006-07 budget to actual adjustment would be foregone.

Calculations for Request:

Summary of Request FY 07-08 (Reconciles to Schedule 13)	Total Funds	FTE	General Fund	Cash Funds	Cash Funds Exempt
Total Request [Items below total to this]	\$1,856,331		\$(2,692,199)	\$7,240	\$4,541,290
Executive Office, Purchase of Services From Computer Center	\$1,856,331		\$721,555	\$7,240	\$1,127,536
Division of Information Technology, Technology Management Unit, Personal Services	\$0		\$(2,916,378)	\$0	\$2,916,378
Division of Information Technology, Technology Management Unit, Operating Expenses	\$0		\$(497,376)	\$0	\$497,376

Summary of Request FY 08-09 (Reconciles to Schedule 13)	Total Funds	FTE	General Fund	Cash Funds	Cash Funds Exempt
Total Request [Items below total to this]	\$1,412,415		\$(3,200,667)	\$7,531	\$4,605,551
Executive Office, Purchase of Services From Computer Center	\$1,412,415		\$350,217	\$7,531	\$1,054,667
Division of Information Technology, Technology Management Unit, Personal Services	\$0		\$(3,021,513)	\$	\$3,021,513
Division of Information Technology, Technology Management Unit, Operating Expenses	\$0		\$(529,371)	\$	\$529,371

FY 2007-08 GGCC Base Recoverable Costs

<i>FY 2007-08 GGCC Recoverable Costs</i>			
	FY 07-08 Supplemental	FY 07-08 Figure Setting	Increase/ Decrease
<i>Administration</i>			
Personal Services	260,314	260,314	(0)
Salary Survey	9,258	8,851	407
Performance Based Pay	4,122	3,858	264
Health, Life and Dental	13,913	13,204	709
STD	355	304	51
AED/SAED	3,962	3,394	568
Workers' Comp	2,718	2,819	(101)
Risk Mgmt	5,974	6,197	(224)
Operating Expenses	<u>4,193</u>	<u>4,193</u>	<u>(1)</u>
<i>Subtotal - Administration</i>	304,807	303,134	1,673
<i>Customer Services</i>			
Personal Services	754,996	754,996	0
Salary Survey	17,189	18,640	(1,451)
Performance Based Pay	9,854	9,756	98
Health, Life and Dental	31,492	33,055	(1,563)
STD	868	781	87
AED/SAED	9,678	8,715	963
Workers' Comp	7,107	28,263	(21,156)
Risk Mgmt	15,624	62,132	(46,508)
Operating Expenses	<u>12,431</u>	<u>12,431</u>	<u>0</u>
<i>Subtotal - Customer Services</i>	859,238	928,769	(69,530)

<i>FY 2007-08 GGCC Recoverable Costs</i>			
<i>Computer Services</i>	FY 07-08 Supplemental	FY 07-08 Figure Setting	Increase/ Decrease
Personal Services	2,655,746	2,655,746	0
Salary Survey	86,504	85,884	620
Performance Based Pay	39,072	36,623	2,449
Health, Life and Dental	208,647	198,015	10,632
STD	3,395	3,104	291
AED/SAED	41,822	34,625	7,197
Workers' Comp	29,125	30,215	(1,090)
Risk Mgmt	64,026	66,422	(2,396)
HIPAA Implementation	118,010	118,010	0
Capitol Complex	351,254	339,641	11,613
Shift	42,721	39,451	3,270
MNT	36,816	16,060	20,756
Legal Services	318	1,840	(1,522)
Operating Expenses	6,181,350	6,181,350	0
CPU	336,034	336,034	0
Indirect Costs	<u>566,864</u>	<u>566,864</u>	<u>0</u>
Subtotal - Customer Services	10,761,704	10,709,884	51,820
OVERHEAD			
Depreciation	364,628	279,722	84,906
Subtotal - Overhead	<u>364,628</u>	<u>279,722</u>	<u>84,906</u>
TOTAL	12,290,378	12,221,509	68,869

FY 2007-08 Recommended GGCC Allocations by Agency

GGCC FY 08 Supplemental True-up							
Department	FY 06-07 Actual Utilization %	FY 07-08 Subtotal based on Utilization	FY 06-07 Budget to Actual Adjustment	FY 07-08 TMU Refinance	Final FY 07-08 Supplemental Allocation	FY 07-08 Long Bill Allocations	Increase/ Decrease
Agriculture	0.0064%	787	(143)	19,357	20,001	941	19,060
Corrections	0.0847%	10,410	(1,592)	158,385	167,203	12,160	155,043
Education	0.0276%	3,392	(2,744)	36,671	37,319	6,282	31,037
Governor	0.4591%	56,425	(13,456)	10,058	53,027	70,921	(17,894)
HCPF	0.1395%	17,145	(1,171)	99,487	115,461	18,516	96,945
Higher Education - appropriated	0.6202%	76,225	43,872	19,373	139,470	31,214	108,256
Higher Education - nonappropriated	0.0976%	11,995	(3,884)	320,137	328,248	16,145	312,103
Human Services	35.8073%	4,400,853	0	263,091	4,663,944	4,687,376	(23,432)
Judicial	1.1222%	137,923	(14,014)	149,705	273,614	153,698	119,916
Labor	8.1438%	1,000,904	68,317	122,229	1,191,450	938,416	253,034
Law	0.3743%	46,003	2,496	20,060	68,559	43,802	24,757
Legislature	0.2832%	34,806	3,319	28,123	66,248	31,654	34,594
Local Affairs	0.0219%	2,692	(272)	32,171	34,591	2,994	31,597
Military Affairs	0.0053%	651	(108)	8,221	8,764	770	7,994
Natural Resources	3.2012%	393,440	34,230	338,580	766,250	361,207	405,043
Personnel	22.7601%	2,797,302	256,042	1,357,869	4,411,213	2,554,882	1,856,331
Public Health	2.2373%	274,973	(157,868)	132,326	249,431	441,661	(192,230)
Public Safety	0.0295%	3,626	(100,397)	52,476	(44,295)	108,160	(152,455)
Regulatory Agencies	0.0551%	6,772	(12,668)	35,122	29,226	20,019	9,207
Revenue	24.1476%	2,967,831	283,750	62,164	3,313,745	2,698,057	615,688
State	0.1314%	16,150	15,068	25,703	56,921	611	56,310
Transportation	0.1730%	21,262	8,094	106,996	136,352	13,016	123,336
Treasury	0.0419%	5,150	(213)	15,449	20,386	5,414	14,972
Local Gov't	0.0298%	3,663	95	0	3,758	3,593	165
Subtotal	100.00000%	\$ 12,290,380	\$ 406,752	\$ 3,413,753	\$ 16,110,885	\$ 12,221,509	\$ 3,889,376

FY 2008-09 GGCC Base Recoverable Costs

FY 2008-09 GGCC Recoverable Costs per Common Policy	
<i>Administration</i>	
Personal Services	272,870
Salary Survey	9,258
Performance Based Pay	4,122
Health, Life and Dental	71,287
STD	355
AED/SAED	3,962
Workers' Comp	2,075
Risk Mgmt	7,812
Operating Expenses	4,193
<i>Subtotal - Administration</i>	375,933
<i>Customer Services</i>	
Personal Services	780,068
Salary Survey	17,189
Performance Based Pay	9,854
Health, Life and Dental	0
STD	868
AED/SAED	10,191
Workers' Comp	5,426
Risk Mgmt	20,431
Operating Expenses	12,431
<i>Subtotal - Customer Services</i>	856,458

FY 2008-09 GGCC Recoverable Costs per Common Policy	
<i>Computer Services</i>	
Personal Services	2,773,508
Salary Survey	114,420
Performance Based Pay	53,183
Health, Life and Dental	234,835
STD	3,395
AED/SAED	47,793
Workers' Comp	22,239
Risk Mgmt	83,728
HIPAA Implementation	118,010
Capitol Complex	349,218
Shift	39,451
MNT	16,851
Legal Services	318
Operating Expenses	6,181,350
CPU	336,034
Indirect Costs	678,807
Subtotal - Customer Services	11,053,140
OVERHEAD	
Depreciation	364,628
Subtotal - Overhead	364,628
TOTAL	12,650,159

FY 2008-09 Recommended GGCC Allocations by Agency

Department	FY 07 Actual Utilization %	FY 2008-09 Common Policy Allocation based on FY 07 Utilization (November 1 request)	FY 09 TMU Refinance	Increase/Decrease
Agriculture	0.0079%	998	20,135	20,135
Corrections	0.1138%	14,393	164,747	164,747
Education	0.0339%	4,291	38,144	38,144
Governor	0.3125%	39,526	10,462	10,462
HCPF	0.1364%	17,250	103,484	103,484
Higher Education - appropriated	0.5622%	71,117	20,151	20,151
Higher Education - nonappropriated	0.1357%	17,169	332,997	332,997
Human Services	32.8634%	4,157,271	273,659	273,659
Judicial	0.8967%	113,436	155,719	155,719
Labor	10.1641%	1,285,778	127,139	127,139
Law	0.2894%	36,606	20,866	20,866
Legislature	0.1980%	25,046	29,253	29,253
Local Affairs	0.0176%	2,229	33,464	33,464
Military Affairs	0.0068%	860	8,551	8,551
Natural Resources	2.2539%	285,117	352,181	352,181
Personnel	21.4783%	2,717,039	1,412,415	1,412,415
Public Health	1.9811%	250,616	137,641	137,641
Public Safety	0.0369%	4,668	54,584	54,584
Regulatory Agencies	0.0739%	9,350	36,533	36,533
Revenue	28.1300%	3,558,492	64,661	64,661
State	0.1105%	13,980	26,736	26,736
Transportation	0.1675%	21,190	111,294	111,294
Treasury	0.0280%	3,544	16,069	16,069
Local Gov't	0.0015%	191	0	0
Subtotal	100.00%	\$ 12,650,157	\$ 3,550,885	

Assumptions for Calculations:

The current FY 2007-08 request includes updated utilization by agency from FY 2006-07, and program costs have been updated to reflect the most current estimates, allocations and appropriations associated with personnel costs, central appropriations, indirect costs, overhead and other program costs. While some components of the base program recoverable costs have increased and some have decreased, the net result is an increase of \$68,868 in recoverable costs over the costs approved by the JBC during FY 2007-08 figure setting, although other factors (including the budget to actual adjustment and the TMU refinance) resulted in an overall increase of approximately \$3.8 million in billings to agencies.

In summary, these base program costs represent the share of these items associated with the operation of, and delivery of services from the Data Center. Recoverable costs generally include program appropriations contained in the Long Bill and other special and/or supplemental bills, salary POTs (i.e. salary survey, performance pay, health life and dental, etc) associated with the program, the statewide indirect cost assessment for the program as identified in the Statewide Indirect Cost Allocation Plan (SWCAP), and other central allocations to reflect the Data Center's share/allocation of central departmental appropriations such as leased space, capitol complex leased space, risk management payments, workers' compensation, etc. It also must be noted that many of the increases and decreases to items included in recoverable costs are related to statewide allocations that have been revised based upon other statewide supplementals that are under consideration in the current budget cycle (i.e., MNT, Capitol Complex Leased Space, Workers' Compensation, Risk Management, etc.)

For FY 2008-09 no changes have been proposed to the recoverable costs or agency allocations for base GGCC services from the initial Common Policy allocations included in agency Executive Budget Requests. The incremental change to FY 2008-09 that is included in this request, as identified in the applicable table from the "calculation of request" above, is related to the impact of the TMU refinancing. This results in an increase of over \$3.5 million in statewide GGCC billings, although this "refinancing" does save significant General Fund projected to be in excess of \$1 million.

TMU Refinance - Allocation Methodology

Costing for the refinance is an aggregate of five functional methodologies from data provided by the State Controller's Office that is used to develop the Statewide Indirect Cost Allocation Plan (SWCAP). The first function deals with departmental support for desktops, laptops, and other workstation equipment utilized by employees for day-to-day operations. Departments are charged on the basis of their proportion of workstation inventory (physical counts) applied to the salary costs for the positions employed to provide this support.

The second and third functional methodologies are similar in that costs are based on transactions counts. The salaries of the positions responsible for IT support to payroll operations are proportionately allocated according to human resources and payroll transactions conducted through the State's systems. The salaries of the positions responsible for IT support to financial operations are proportionately allocated according to financial transactions conducted through the Colorado Financial Reporting System (COFRS).

The fourth methodology is linked to special projects that particular staff perform for specific agencies. These IT staff record their time and effort according to project and agency and their salary costs are proportionately allocated accordingly.

Finally, the aggregate costs of the prior four methodologies are totaled by agency and then are used to determine the proportionate share of the remaining administrative salaries and costs for the TMU.

Impact on Other Government Agencies:

This request is a statewide common policy oriented supplemental true-up that impacts multiple agencies who are GGCC and TMU customers. Refer to the "Calculations for Request" above for allocations by agency.

Cost Benefit Analysis:

Although this request will ultimately result in a significant increase in statewide GGCC billings, it will reduce more than \$3 million of annual General Fund appropriations from DPA's budget. The reduction will be partially offset by the General Fund need in agencies, however, in excess of \$1 million in General Fund savings are available as a result of the request.

Performance Measure:

While there are performance measures in the Department's FY 2008-09 Strategic Plan that are directly or indirectly associated with the delivery of Data Center services to customers statewide, none are directly related to this request; however, this request and this statutorily mandated program supports DPA's Objective #5 to "align all relevant tools in concert with identified business needs."

Statutory and Federal Authority:

24-30-1601 C.R.S. 2007 – Legislative Declaration

The general assembly hereby finds, determines, and declares that there are numerous state departments, agencies, and institutions that require data processing services and that the state would benefit from the economies of scale found in a large-scale computer center. As a means of realizing those economies while providing essential support services to the citizens of this state, the general assembly deems necessary the authorization and establishment of a general government computer center (GGCC) within the department of personnel to provide necessary automated data processing services to those governmental entities described in this part 16.

24-30-1603 C.R.S. 2007 – Functions of the GGCC

(1) The GGCC shall perform the following functions:

(a) To provide computer, data entry, and systems development and programming services to those state departments, institutions, and agencies in the executive branch that have

been so designated by the office of information technology, created in section 24-37.5-103, after consulting with the affected entity, and to provide these same services to the legislative and judicial branches when so requested; except that services shall not be provided to any such entity unless such entity has funds available therefor;

(b) To establish and maintain automated data processing facilities at GGCC, including but not limited to the operation of automated data processing equipment and facilities and the employment of necessary personnel;

24-30-1606 C.R.S. 2007 – Department of Personnel Computer Services Revolving Fund – Service Charges – Pricing

1) Users of GGCC services shall be charged by the department of personnel the full cost of the particular service, which shall include the cost of all material, labor, equipment, software, services, and overhead. Two months prior to the November 1 submission date as required by section 24-37-304, the executive director of the department shall establish, publish, and distribute billing rates to user entities and other interested entities effective for the following fiscal year. The billing rates shall not be increased during the fiscal year. User charges shall be paid only out of items of appropriation made specifically for the purchase of services from either the department or from an alternative support source approved by the office of information technology, created in section 24-37.5-103. Agencies interested in purchasing services from the private sector shall work with the office to develop bid specifications, which shall identify all services, requirements, and costs. All bids shall be consistent with the state's long-term data processing objectives. The bid process shall be completed so as to coincide with the department's rate publication date.

(2) User charges collected under this part 16 shall be transmitted to the state treasurer, who shall credit the same to the department's computer services revolving fund, which fund is hereby created. The moneys in such fund are subject to annual appropriations by the general assembly to the department of personnel for the purpose of acquiring such

materials, supplies, labor, equipment, software, services, and overhead as are required by the department of personnel to supply the services purchased by users.

(3) The executive director of the department of personnel shall establish a policy of remaining competitive with the service provided by private industry with regard to the cost, timeliness, and quality of that service provided by the department. Agencies are encouraged to seek competitive bids from the private sector pursuant to subsection (1) of this section. If the department cannot meet the needs of any agency in any one of the said areas, the agency may seek services elsewhere in consultation with the office of information technology, created in section 24-37.5-103.

Schedule 13
Change Request for FY 08-09 Budget Request Cycle

Request Title: Decision Item FY 08-09 ☐ Base Reduction Item FY 08-09 ☐ Supplemental FY 07-08 ☒ Budget Request Amendment FY 08-09 ☒
Department: FY 2007-08 & FY 2008-09 Statewide Realignment of Capitol Complex Leased Space Allocations
Priority Number: Personnel & Administration **Dept. Approval by:** *[Signature]* **Date:** January 2, 2008
 Statewide Supplemental #2, Statewide Budget **OSPB Approval:** *[Signature]* **Date:** 12/17/07
 Amendment #2

	Fund	1	2	3	4	5	6	7	8	9	10
		Prior-Year Actual FY 06-07	Appropriation FY 07-08	Supplemental Request FY 07-08	Total Revised Request FY 07-08	Base Request FY 08-09	Decision/ Base Reduction FY 08-09	November 1 Request FY 08-09	Budget Amendment FY 08-09	Total Revised Request FY 08-09	Change from Base (Column 5) FY 09-10
Total of All Line Items	Total	6,326,318	6,569,728	5,701	6,575,429	6,566,054	0	6,566,054	2,211	6,568,265	2,211
	FTE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	GF	539,826	568,662	8,955	577,617	573,449	0	573,449	346	573,795	346
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	0	0	0	0	0	0	0	0	0	0
	CFE	5,786,492	6,001,066	(3,254)	5,997,812	5,992,605	0	5,992,605	1,865	5,994,470	1,865
	FF	0	0	0	0	0	0	0	0	0	0
(1) Executive Office	Total	1,153,033	1,189,460	5,701	1,195,161	1,185,786	0	1,185,786	2,211	1,187,997	2,211
Capitol Complex Leased Space	FTE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	GF	539,826	568,662	8,955	577,617	573,449	0	573,449	346	573,795	346
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	0	0	0	0	0	0	0	0	0	0
	CFE	613,207	620,798	(3,254)	617,544	612,337	0	612,337	1,865	614,202	1,865
	FF	0	0	0	0	0	0	0	0	0	0
(4) Division of Central Services	Total	1,606,275	1,637,466	85,000	1,722,466	1,637,466	0	1,637,466	85,000	1,722,466	85,000
(D1) Capitol Complex Facilities, Operating Expenses	FTE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	GF	0	0	0	0	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	0	0	0	0	0	0	0	0	0	0
	CFE	1,606,275	1,637,466	85,000	1,722,466	1,637,466	0	1,637,466	85,000	1,722,466	85,000
	FF	0	0	0	0	0	0	0	0	0	0
(4) Division of Central Services	Total	3,567,010	3,742,802	(85,000)	3,657,802	3,742,802	0	3,742,802	(85,000)	3,657,802	(85,000)
(D1) Capitol Complex Facilities, Utilities	FTE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	GF	0	0	0	0	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	0	0	0	0	0	0	0	0	0	0
	CFE	3,567,010	3,742,802	(85,000)	3,657,802	3,742,802	0	3,742,802	(85,000)	3,657,802	(85,000)
	FF	0	0	0	0	0	0	0	0	0	0

Schedule 13
Change Request for FY 08-09 Budget Request Cycle

Request Title: Decision Item FY 08-09 ☐ Base Reduction Item FY 08-09 ☐ Supplemental FY 07-08 ☒ Budget Request Amendment FY 08-09 ☒
 FY 2007-08 & FY 2008-09 Statewide Realignment of Capitol Complex Leased Space Allocations
Department: Personnel & Administration **Dept. Approval by:** **Date:** January 2, 2008
Priority Number: Statewide Supplemental #2, Statewide Budget Amendment #2 **OSPB Approval:** **Date:**

	1	2	3	4	5	6	7	8	9	10
Fund	Prior-Year Actual FY 06-07	Appropriation FY 07-08	Supplemental Request FY 07-08	Total Revised Request FY 07-08	Base Request FY 08-09	Decision/ Base Reduction FY 08-09	November 1 Request FY 08-09	Budget Amendment FY 08-09	Total Revised Request FY 08-09	Change from Base (Column 5) FY 09-10

Letternote revised text: N/A.

Cash Fund name/number, Federal Fund Grant name: Department of Personnel Revolving Fund (COFRS 610)

IT Request: ☐ Yes ☒ No

Request Affects Other Departments: ☒ Yes ☐ No

If Yes, List Other Departments Here: Departments of Agriculture, Corrections, Education, Offices of the Governor, Health Care Policy & Financing, Higher Education, Human Services, Labor & Employment, Law, Legislature, Local Affairs, Military & Veterans' Affairs, Natural Resources, Personnel & Administration, Public Health & Environment, Public Safety, Regulatory Agencies, Revenue, Transportation, and Treasury

CHANGE REQUEST for FY 2007-08 & 2008-09

Department:	Colorado Department of Personnel & Administration
Priority Number:	Statewide Supplemental #2, Statewide Budget Amendment #2
Change Request Title:	FY 2007-08 & FY 2008-09 Statewide Realignment of Capitol Complex Leased Space Allocations

SELECT ONE (click on box):

- ☐ Decision Item FY 08-09
☐ Base Reduction Item FY 08-09
☒ Supplemental Request FY 07-08
☒ Budget Request Amendment FY 08-09
☐ Supplemental Request FY 06-07

SELECT ONE (click on box):

Supplemental or Budget Request Amendment Criterion:

- ☐ Not a Supplemental or Budget Request Amendment
☐ An emergency
☐ A technical error which has a substantial effect on the operation of the program
☒ New data resulting in substantial changes in funding needs
☐ Unforeseen contingency such as a significant workload change

Short Summary of Request:

This request increases Capitol Complex Leased Space rates for tenant agencies in the Capitol Complex, the Grand Junction State Services Building and Camp George West to address updates to various components of recoverable program costs. The request results in an \$109,154 increase in state agency appropriations and subsequent billings in aggregate for FY 2007-08 and an increase of \$50,250 for FY 2008-09 in state agency appropriations and billings above the level of the initial FY 2008-09 Common Policy. The DPA tenant share of this Statewide Supplemental Request for FY 2007-08 is a total increase of \$5,701 (including an increase of \$8,955 General Fund and a decrease of \$3,254 cash funds exempt). For FY 2008-09, the request reflects an incremental increase DPA's Capitol Complex Leased Space allocation relative to the common policy as reflected in the FY 2008-09 Executive Budget Request of \$2,211 (an increase of \$346 General Fund and an increase of \$1,865 cash funds exempt).

Background and Appropriation History:

The Division of Central Services, Facilities Maintenance is a full-service property management business. The Capitol Complex program is responsible for providing building maintenance including HVAC, plumbing, electrical, elevators, lights, general maintenance; day and evening custodial services (in-house and contractor); grounds maintenance and building security. The Program is funded via “user fees” charged to State agency tenants and institutions of Higher Education as applicable via Common Policy. Currently this Program provides services for the following locations:

The Capitol Hill Campus includes:

- Human Services Building
- State Office Building
- State Services Building
- Woodward House Building
- State Capitol Building
- Executive Residence (Governor's Mansion)
- Legislative Services Building
- Capitol Annex Building
- Power Plant Building (and all trades shops)
- Centennial Building
- 1570 Grant Street Building

The North Campus includes:

- Three industrial and office buildings

The West Campus includes:

- Dale Tooley Office Building (690 Kipling)
- 700 Kipling Building
- 1881 Pierce Street Building

In addition, the Department has facilities and property management responsibilities for the Grand Junction State Services Building and Camp George West.

In the summer and fall of 2007 the Department consulted with Xcel Energy and other utility providers to determine the net projected impact of actual and anticipated utilities rate changes based upon historical, current and projected utilization. Although certain projected increases for water, natural gas, steam and electricity are beyond the control of the Department to a significant degree, many of these factors are offset by the fact that the State has implemented various initiatives in recent years to mitigate the impact of utilities rate changes on the State budget. In recent years, several steps have been taken by the Division of Central Services' Facilities Management unit to conserve energy in the Capitol Complex, Grand Junction and Camp George West facilities. Some examples include the installation of pressure reducing valves to maintain constant steam pressure in buildings at night, the installation of variable frequency drives which enable chiller motors to run more efficiently, and a chiller system upgrade at 690 Kipling Street, the location of the Data Center (commonly referred to as the General Government Computer Center – GGCC). Long-range plans include the installation of a system to control all lighting through a centralized computer system in the Capitol Complex area.

Many of the above referenced initiatives and enhancements and multiple others are the direct result of the energy performance contract that the Department and the State entered into with Chevron Energy Solutions Company, which is financed through Citimortgage, Inc. Capitol Complex has contracted with Chevron Energy Solutions to perform performance-based contracting services throughout the Capitol Complex and associated buildings, Grand Junction, the three Lakewood buildings and North Campus. The goal of this project is to conserve energy through tenant awareness and the replacement or upgrading of older, inefficient systems. This project began in the spring of 2002 with an energy audit of all the Capitol Complex buildings. This audit identified energy savings projects, which included the replacement of lights, toilets, new boilers and chillers, and the installation of new energy management computerized controls. These improvements were financed through the projected energy savings directly related to the individual project over a predetermined period of time. While many factors, particularly weather

and use of buildings, affect energy consumption, energy usage has generally been considerably lower during recent fiscal years indicating that the energy performance contract has been successful to some extent as well. Even greater savings, or the ability to partially mitigate rate hikes is possible in future years, since some of the contracted projects have not been installed and operational long enough for the benefits to be fully realized.

Under the energy performance contract Chevron Energy Solutions Company has guaranteed that savings through decreased energy consumption will cover the contracted schedule of payments to Citimortgage. Should actual savings fall short, Chevron is contractually obligated to pay the difference. Any excess savings is to be retained by the State. To reiterate, the utilities line items cover both payments to utility companies and the obligation to Citimortgage. As a direct result of the energy performance contract this annual request, similar to last year's request, does not include an increase to the utilities appropriation even though the underlying rates associated with such items continue to increase in many instances nationwide.

As discussed further below, this request is submitted in the current budget cycle in order to update Program recoverable costs, resulting allocations, and subsequent billings to State agency tenants. A mid-year supplemental and budget amendment request to realign Capitol Complex appropriations to agencies has proven to be a necessity in recent years. This has been necessary at a minimum to update recoverable costs based upon information not available to the Department or JBC staff during the initial development of the Long Bill annually. In other years, updates may have been necessary to incorporate the impact of agency relocations within or outside of the Capitol Complex, to address "swing space" needs during the Capitol Life Safety Project, or to address utilities needs have been prevalent.

General Description of Request:

Note that the FY 2008-09 portion of this request seeks to amend the FY 2008-09 Capitol Complex Leased Space Common Policy calculated by the Department, in collaboration

with the Governor's Office of State Planning and Budgeting (OSPB), and distributed to departments in August.

This request includes two primary components that are identified discretely below.

Updates to Recoverable Program Costs

The current request includes updated utilization by agency from FY 2006-07, and program costs have been updated to reflect the most current estimates, allocations and appropriations associated with personnel costs, central appropriations, indirect costs, overhead and other program costs. While some components or the recoverable costs have increased and some have decreased, the net result is an increase of \$109,154 over the FY 2007-08 recoverable costs incorporated in the FY 2007-08 Long Bill.

In summary, these FY 2007-08 costs represent the share of these items associated with the operation of, and delivery of services related to this Common Policy via the Division of Central Services, Facilities Maintenance. Recoverable costs generally include program appropriations contained in the Long Bill and other special and/or supplemental bills, FY 2007-08 salary POTs (i.e salary survey, performance pay, health life and dental, etc) associated with the program, the statewide indirect cost assessment for the program as identified in the Statewide Indirect Cost Allocation Plan (SWCAP), and other central appropriations to reflect the Office of Administrative Court's share/allocation of central departmental appropriations such as leased space, capitol complex leased space, risk management payments, workers' compensation, etc.

For FY 2008-09, the Budget Amendment portion of this request performs similar calculations using similar inputs as what is described above for FY 2007-08, except that in lieu of JBC approved program appropriations and other allocations of central appropriations, the FY 2008-09 recoverable costs are generally consistent with the same inputs as identified in the Department's FY 2008-09 Executive Budget Request – the result was an increase of \$50,250 for FY 2008-09 in state agency appropriations and billings (above the FY 2008-09 Common Policy).

Budget Neutral Appropriation Transfer Request

This request includes a budget neutral request for an appropriation transfer in the amount of \$85,000. This is related to the purchase of items such as filters, chemicals, light bulbs/fixtures, etc that are directly associated with the State's energy performance contract for Capitol Complex facilities. These are expenses that are already being incurred and while these additional expenditures are directly related budgetarily with initiatives and improvements directed from the utilities line item, the expenditures themselves more appropriately reside in the operating expenses line item, and as such the Department requests the permanent \$85,000 appropriation transfer beginning in FY 2007-08 (for reference, FY 2006-07 expenditures for the same purposes were nearly \$63,000 and the \$85,000 transfer request is based upon current year projections).

To further clarify, the expenditures in question are generally associated with routine maintenance related to equipment installed under the energy performance contract or other upgrades that were part of energy conservation methods undertaken through the contract. While the upgrades and installation of said equipment are generally capital improvements, the supplies (chemicals, valves, etc), replacements (light bulbs, filters, etc), etc are routine ongoing operating expenses that the Department believes should reside on the Operating Expenses line item, rather than the Utilities line item. In general, the Department's intent in the transfer request is generally a matter of correct accounting and the Department does not want anyone to question the validity of and classification of routine and ongoing operating expenses that are completely legitimate. If the appropriation "transfer" to the operating line item is not approved, the program may technically overexpend the operating line item, given historic, current and projected obligations in that line item if the costs are recorded against the operating line item.

Finally, after consideration of all anticipated obligations related to utilities costs, performance contract payments and including planned performance contract related equipment purchases and other facilities upgrades that are pending implementation, (at levels similar to prior historical expenditures for this purpose) the Utilities line item has

sufficient funding to facilitate the requested appropriation transfer to the Operating Expenses line item.

Calculations for Request:

Summary of Request FY 07-08 (Reconciles to Schedule 13)	Total Funds	General Fund	Cash Funds Exempt
Total Request [Items below total to this]	\$5,701	\$8,955	(\$3,254)
Executive Office, Capitol Complex Leased Space	\$5,701	\$8,955	(\$3,254)
Division of Central Services, Facilities Maintenance, Capitol Complex Facilities, Operating Expenses	\$85,000	\$0	\$85,000
Division of Central Services, Facilities Maintenance, Capitol Complex Facilities, Utilities	(\$85,000)	\$0	(\$85,000)

Summary of Request FY 08-09 (Reconciles to Schedule 13)	Total Funds	General Fund	Cash Funds Exempt
Total Request [Items below total to this]	\$2,211	\$346	\$1,865
Executive Office, Capitol Complex Leased Space	\$2,211	\$346	\$1,865
Division of Central Services, Facilities Maintenance, Capitol Complex Facilities, Operating Expenses	\$85,000	\$0	\$85,000
Division of Central Services, Facilities Maintenance, Capitol Complex Facilities, Utilities	(\$85,000)	\$0	(\$85,000)

STATE OF COLORADO FY 08-09 Supplemental Request: Colorado Department of Personnel & Administration

FY2007-08 SUPPLEMENTAL for Capitol Complex Leased Space												
FY07-08 Estimated Recoverable Costs												
Line Items	FY08 Estimated Cost	Denver Request	FTE	Pierce Street Request	FTE	North Campus Request	FTE	Grand Junction Request	FTE	Camp George West Request	FTE	Total
FY08 Personal Services Appropriation	2,601,617	2,341,455	47.9	208,129	4.3	52,032	1.1		1.0		1.0	2,601,617
FY08 Personal Services Appropriation	45,336							45,336				45,336
FY08 Personal Services Appropriation	64,565									64,565		64,565
FY08 Personal Services Estimate	2,711,518	2,341,455	47.9	208,129	4.3	52,032	1.1	45,336	1.0	64,565	1.0	2,711,518
FY08 Salary Survey Estimate	65,637	59,073		5,251		1,313						65,637
FY08 Salary Survey Estimate	1,154							1,154				1,154
FY08 Salary Survey Estimate	1,154									1,154		1,154
FY08 Perf Pay Based Pay	34,736	30,109		2,676		669		641		641		34,736
FY08 AED/SAED	32,321	29,089		2,586		646		-		-		32,321
FY08 AED/SAED	616							616				616
FY08 AED/SAED	616									616		616
FY08 Workers' Comp	37,068	33,361		2,965		741		-		-		37,068
FY08 Workers' Comp	697	-		-		-		697		-		697
FY08 Workers' Comp	697	-		-		-		-		697		697
FY08 Shift Differential	13,055	13,055		-		-		-		-		13,055
FY08 Short-Term Disability	2,898	2,608		232		58		-		-		2,898
FY08 Short-Term Disability	55							55				55
FY08 Short-Term Disability	55									55		55
FY08 Health/Life/Dental	167,177	150,459		13,374		3,344						167,177
FY08 Health/Life/Dental	738							738				738
FY08 Health/Life/Dental	740									740		740
Sub-total	3,070,932	2,659,210		235,214		58,803		49,237		68,468		3,070,932
FY08 Operating Expenses	1,722,466	1,550,219		137,797		34,449						1,722,466
FY08 Operating Expenses	76,873							76,873				76,873
FY08 Operating Expenses	122,102									122,102		122,102
FY08 Cap Complex Repairs	56,520	50,868		4,522		1,130		-		-		56,520
FY08 Risk Management & Property Funds	81,488	73,339		6,519		1,630		-		-		81,488
FY08 Risk Management & Property Funds	1,532	-		-		-		1,532		-		1,532
FY08 Risk Management & Property Funds	1,532	-		-		-		-		1,532		1,532
FY08 Capitol Complex Leased Space	30,185	30,185										30,185
FY08 Vehicle Lease Payments	7,665	6,899		613		153		-		-		7,665
FY08 Depreciation	36,564	36,564		-		-		-		-		36,564
FY08 Energy Performance Depreciation	780,167	741,159		-		-		39,008				780,167
FY08 Leased Space Estimate	4,673	3,972		327		93		140		140		4,673
FY08 Utilities - Denver	3,657,802	3,373,244		229,197		55,361						3,657,802
FY08 Utilities - GJ	87,554							87,554				87,554
FY08 Utilities - CGW (water & sewer only)	141,194									141,194		141,194
FY08 Capitol Complex Security	289,484	289,484		-		-				-		289,484
DCS Overhead Estimate	328,653	279,355		23,006		6,573		9,860		9,860		328,653
FY08 Compensated Absences Estimate	-											
FY08 Indirect Cost Assessment	377,456	320,838		26,422		7,549		11,324		11,324		377,456
Sub-total	7,803,910	6,756,125		428,403		106,939		226,291		286,151		7,803,910

FY2007-08 SUPPLEMENTAL for Capitol Complex Leased Space												
FY07-08 Estimated Recoverable Costs												
Line Items	FY08 Estimated Cost	Denver Request	FTE	Pierce Street Request	FTE	North Campus Request	FTE	Grand Junction Request	FTE	Camp George West Request	FTE	Total
Total Costs	10,874,842	9,415,335		663,617		165,743		275,528		354,619		10,874,842
1.0 Billable Vacancy	108,748	94,153		6,636		1,657		2,755		3,546		108,748
Sprint Leased Tower Space	(9,600)	-		-		-		-		(9,600)		(9,600)
Total Billable Costs	10,973,990	9,509,489		670,253		167,400		278,283		348,566		10,973,990
Allocated Square Footage		754,366		116,448		42,871		34,499		285,755		
FY08 Cost/Square Foot (supplemental)		\$ 12.61		\$ 5.76		\$ 3.90		\$ 8.07		\$ 1.22		
FY08 Initial Cost/Square Foot (Long Bill)		\$ 12.41		\$ 6.00		\$ 4.24		\$ 7.89		\$ 1.00		
Difference		\$ 0.20		\$ (0.24)		\$ (0.34)		\$ 0.18		\$ 0.22		
Camp George West Utilities - Electric & Gas												
Corrections	81,615											
Correctional Industries	18,442											
Local Affairs	8,329											
Military Affairs	21,625											
Public Safety	134,273											
Transportation	26,317											
CSU Forest Service	2,555											
Total	293,156											

Comparison of FY 07-08 recoverable costs - Long Bill vs Supplemental			
Item	FY 08 Figure Setting	FY 08 Supplemental	Variance
Personal Services	2,711,518	2,711,518	0
Salary Survey	65,537	67,945	2,408
PBP	35,994	34,736	(1,258)
Workers' Comp	39,901	38,462	(1,439)
Shift	12,065	13,055	990
Short-term Disability	3,029	3,008	(21)
AED/SAED	33,791	33,553	(238)
SAED	0		0
HLD	179,671	168,655	(11,016)
Subtotal	3,081,505	3,070,932	(10,573)
			0
Operating Expenses	1,836,440	1,921,441	85,001
Repairs	56,520	56,520	0
Risk	87,716	84,552	(3,164)
GGCC	0		0
Vehicle Lease	6,911	7,665	754
Legal Services	0	0	0
Depreciation	46,392	36,564	(9,828)
Utilities	3,906,784	3,886,550	(20,234)
Capitol Complex	27,473	30,185	2,712
FY 08 Energy Perf. Depr.	691,203	780,167	88,964
Leased Space	2,009	4,673	2,664
Security	289,484	289,484	0
Overhead	292,748	328,653	35,905
Indirect Costs	377,457	377,456	(1)
Subtotal	7,621,137	7,803,910	182,773
TOTAL Base Costs	10,702,642	10,874,842	172,200
1.0% Billable Vacant	107,026	108,748	1,722
Sprint Tower	(9,600)	(9,600)	0
Camp George Electric & Gas	357,922	293,156	(64,766)
TOTAL	11,157,991	11,267,146	109,155

FY 08 Supplemental						
Square Footage by Agencies						
Agencies	Denver	Pierce Street	North Campus	Grand Junction	Camp George West	Total
Agriculture	13,553	-	-	-	-	13,553
Corrections	-	-	-	-	42,624	42,624
Correctional Industries	-	-	-	-	18,672	18,672
Education	44,433	-	-	-	-	44,433
General Assembly	111,981	-	-	-	-	111,981
Governor, Lt Governor, OSPB	21,157	-	-	-	-	21,157
HCPF	31,512	-	-	-	-	31,512
Human Services	99,087	-	-	3,104	-	102,191
Law	92,431	-	-	-	-	92,431
Local Affairs	33,228	-	-	3,458	17,084	53,770
Military Affairs	-	-	-	-	49,032	49,032
Natural Resources	69,107	-	-	-	-	69,107
Personnel & Administration	82,734	-	32,807	2,990	-	118,531
Public Health	-	-	-	3,996	-	3,996
Public Safety	66,830	-	-	-	134,386	201,216
Regulatory Agencies	-	-	-	162	-	162
Revenue	74,580	116,448	5,700	5,869	-	202,597
Transportation	100	-	-	12,305	18,251	30,656
Treasurer	4,379	-	-	-	-	4,379
Labor & Employment	-	-	4,364	1,295	-	5,659
CSU Forest Service	-	-	-	1,320	5,706	7,026
Construction-Annex Life/Safety	9,254	-	-	-	-	9,254
Total	754,366	116,448	42,871	34,499	285,755	1,233,939

STATE OF COLORADO FY 08-09 Supplemental Request: Colorado Department of Personnel & Administration

FY 2007-08 Supplemental for Capitol Complex Leased Space by Agencies									
Agencies	Denver	Pierce Street	North Campus	Grand Junction	Camp George West	Camp George West Utilities (Electric/Gas)	FY 08 Total	FY 08 Long Bill	Increase/D ecrease
Agriculture	\$ 170,848	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 170,848	\$ 168,199	\$ 2,649
Corrections	\$ -	\$ -	\$ -	\$ -	\$ 51,993	\$ 81,615	\$ 133,608	\$ 139,891	\$ (6,283)
Correctional Industries	\$ -	\$ -	\$ -	\$ -	\$ 22,776	\$ 18,442	\$ 41,218	\$ -	\$ 41,218
Education	\$ 560,120	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 560,120	\$ 551,435	\$ 8,685
General Assembly	\$ 1,411,625	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,411,625	\$ 1,389,739	\$ 21,886
Governor, Lt Governor, OSPB	\$ 266,704	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 266,704	\$ 262,569	\$ 4,135
HCPF	\$ 397,238	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 397,238	\$ 391,079	\$ 6,159
Human Services	\$ 1,249,084	\$ -	\$ -	\$ 25,038	\$ -	\$ -	\$ 1,274,122	\$ 1,254,224	\$ 19,898
Law	\$ 1,165,179	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,165,179	\$ 1,147,113	\$ 18,066
Local Affairs	\$ 418,870	\$ -	\$ -	\$ 27,894	\$ 20,839	\$ 8,329	\$ 475,932	\$ 468,194	\$ 7,738
Military Affairs	\$ -	\$ -	\$ -	\$ -	\$ 59,810	\$ 21,625	\$ 81,434	\$ 81,311	\$ 123
Natural Resources	\$ 871,158	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 871,158	\$ 857,652	\$ 13,506
Personnel & Administration	\$ 1,042,939	\$ -	\$ 128,103	\$ 24,119	\$ -	\$ -	\$ 1,195,161	\$ 1,189,460	\$ 5,701
Public Health	\$ -	\$ -	\$ -	\$ 32,233	\$ -	\$ -	\$ 32,233	\$ 31,548	\$ 685
Public Safety	\$ 842,455	\$ -	\$ -	\$ -	\$ 163,925	\$ 134,273	\$ 1,140,653	\$ 1,121,977	\$ 18,676
Regulatory Agencies	\$ -	\$ -	\$ -	\$ 1,307	\$ -	\$ -	\$ 1,307	\$ 1,279	\$ 28
Revenue	\$ 940,151	\$ 670,253	\$ 22,257	\$ 47,342	\$ -	\$ -	\$ 1,680,002	\$ 1,694,271	\$ (14,269)
Transportation	\$ 1,261	\$ -	\$ -	\$ 99,257	\$ 22,263	\$ 26,317	\$ 149,097	\$ 147,386	\$ 1,711
Treasurer	\$ 55,201	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 55,201	\$ 54,346	\$ 855
Labor & Employment	\$ -	\$ -	\$ 17,040	\$ 10,446	\$ -	\$ -	\$ 27,486	\$ 28,725	\$ (1,239)
CSU Forest Service	\$ -	\$ -	\$ -	\$ 10,648	\$ 6,960	\$ 2,555	\$ 20,163	\$ 19,073	\$ 1,090
Construction-Annex Life/Safety	\$ 116,655	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 116,655	\$ 114,847	\$ 1,808
Total Billable Costs	\$ 9,509,489	\$ 670,253	\$ 167,400	\$ 278,283	\$ 348,566	\$ 293,156	\$ 11,267,146	\$ 11,114,318	\$ 152,828

This FY 2007-08 supplemental includes a \$109,154 increase in recoverable costs as discussed previously. Actual agency billings, as a result of the request increase by \$152,828, as shown above, as a result of an incorrect Long Bill appropriation for Correctional Industries. For reference, during FY 2007-08 figure-setting the Committee approved an allocation of \$139,891 for the Department of Corrections with an additional allocation of \$43,673 for Correctional Industries. The FY 2007-08 Long Bill inadvertently omitted the Correctional Industries allocation, thus resulting in a difference of \$43,673 between the increase in recoverable costs and agency billings as this omission is corrected via this statewide request.

STATE OF COLORADO FY 08-09 Supplemental Request: Colorado Department of Personnel & Administration

FY2008-09 Statewide Budget Amendment for Capitol Complex Leased Space												
FY08-09 Estimated Recoverable Costs												
Line Items	FY09 Estimated Cost	Denver Request	FTE	Pierce Street Request	FTE	North Campus Request	FTE	Grand Junction Request	FTE	Camp George West Request	FTE	Total
FY09 Personal Services Appropriation	2,694,191	2,424,772	47.9	215,535	4.3	53,884	1.1		1.0		1.0	2,694,191
FY09 Personal Services Appropriation	47,109							47,109				47,109
FY09 Personal Services Appropriation	66,338									66,338		66,338
FY09 Personal Services Estimate	2,807,638	2,424,772	47.9	215,535	4.3	53,884	1.1	47,109	1.0	66,338	1.0	2,807,638
FY09 Salary Survey Estimate	62,353	56,118		4,988		1,247						62,353
FY09 Salary Survey Estimate	1,178							1,178				1,178
FY09 Salary Survey Estimate	11,263									11,263		11,263
FY09 Perf Pay Based Pay	38,146	29,185		2,594		649		676		5,042		38,146
FY09 AED/SAED	43,339	39,005		3,467		867		-		-		43,339
FY09 AED/SAED	898							898				898
FY09 AED/SAED	6,699									6,699		6,699
FY09 Workers' Comp	28,092	25,283		2,247		562		-		-		28,092
FY09 Workers' Comp	528	-		-		-		528		-		528
FY09 Workers' Comp	528	-		-		-		-		528		528
FY09 Shift Differential	14,035	14,035		-		-		-		-		14,035
FY09 Short-Term Disability	2,752	2,477		220		55		-		-		2,752
FY09 Short-Term Disability	57							57				57
FY09 Short-Term Disability	425									425		425
FY08 Health/Life/Dental	175,772	158,195		14,062		3,515						175,772
FY08 Health/Life/Dental	666							666				666
FY08 Health/Life/Dental	28,952									28,952		28,952
Sub-total	3,223,321	2,749,069		243,114		60,779		51,112		119,247		3,223,321
FY09 Operating Expenses	1,722,466	1,550,219		137,797		34,449						1,722,466
FY09 Operating Expenses	76,873							76,873				76,873
FY09 Operating Expenses	122,102									122,102		122,102
FY09 Cap Complex Repairs	56,520	50,868		4,522		1,130		-		-		56,520
FY09 Risk Management & Property Funds	96,115	86,504		7,689		1,922		-		-		96,115
FY09 Risk Management & Property Funds	1,807	-		-		-		1,807		-		1,807
FY09 Risk Management & Property Funds	1,807	-		-		-		-		1,807		1,807
FY09 Capitol Complex Leased Space	29,972	29,972										29,972
FY09 Vehicle Lease Payments Estimate	9,555	8,600		764		191		-		-		9,555
FY09 Depreciation Estimate	36,564	36,564		-		-		-		-		36,564
FY09 Energy Performance Depreciation	697,149	662,292		-		-		34,857				697,149
FY09 Leased Space Estimate	4,756	4,043		333		95		143		143		4,756
FY09 Utilities - Denver	3,657,802	3,373,244		229,198		55,360						3,657,802
FY09 Utilities - GJ	87,554							87,554				87,554
FY09 Utilities - CGW (water & sewer only)	141,194									141,194		141,194
FY09 Capitol Complex Security	289,484	289,484		-		-				-		289,484
DCS Overhead Estimate	328,653	279,355		23,006		6,573		9,860		9,860		328,653
FY09 Compensated Absences Estimate	-											
FY09 Indirect Cost Assessment	273,929	232,840		19,175		5,479		8,218		8,218		273,929
Sub-total	7,634,302	6,603,983		422,484		105,200		219,312		283,323		7,634,302

FY2008-09 Statewide Budget Amendment for Capitol Complex Leased Space												
FY08-09 Estimated Recoverable Costs												
Line Items	FY09 Estimated Cost	Denver Request	FTE	Pierce Street Request	FTE	North Campus Request	FTE	Grand Junction Request	FTE	Camp George West Request	FTE	Total
Total Costs	10,857,623	9,353,053		665,598		165,978		270,424		402,570		10,857,623
1.0 Billable Vacancy	108,576	93,531		6,656		1,660		2,704		4,026		108,576
Sprint Leased Tower Space	(9,600)	-		-		-		-		(9,600)		(9,600)
Total Billable Costs	10,956,599	9,446,583		672,254		167,638		273,128		396,996		10,956,599
Allocated Square Footage		754,366		116,448		42,871		34,499		285,755		
FY09 Estimated Cost Per Square Foot		\$ 12.52		\$ 5.77		\$ 3.91		\$ 7.92		\$ 1.39		
FY08 Cost/Square Foot (Long Bill)		\$ 12.41		\$ 6.00		\$ 4.24		\$ 7.89		\$ 1.00		
Difference		\$ 0.11		\$ (0.23)		\$ (0.33)		\$ 0.03		\$ 0.39		
Camp George West Utilities - Electric & Gas												
Corrections	81,615											
Correctional Industries	18,442											
Local Affairs	8,329											
Military Affairs	21,625											
Public Safety	134,273											
Transportation	26,317											
CSU Forest Service	2,555											
Total	293,156											

Comparison of FY 09 recoverable costs-Common Policy to Budget Amendment			
Item	FY 09 Common Policy (November 1)	FY 09 Budget Amendment	Variance
Personal Services	2,807,252	2,807,638	386
Salary Survey	67,945	74,794	6,849
PBP	34,736	38,146	3,410
Workers' Comp	29,369	29,148	(221)
Shift	12,056	14,035	1,979
Short-term Disability	3,063	3,234	171
AED/SAED	45,665	50,936	5,271
HLD	185,372	205,390	20,018
Subtotal	3,185,458	3,223,321	37,863
Operating Expenses	1,836,441	1,921,441	85,000
Repairs	56,520	56,520	0
Risk	110,569	99,729	(10,840)
GGCC			0
Vehicle Lease	7,665	9,555	1,890
Legal Services			0
Depreciation	36,564	36,564	0
Utilities	3,971,550	3,886,550	(85,000)
Capitol Complex	30,011	29,972	(39)
Energy Perf. Depr.	697,149	697,149	0
Leased Space	4,673	4,756	83
Security	289,484	289,484	0
Overhead	307,858	328,653	20,795
Indirect Costs	273,929	273,929	0
Subtotal	7,622,413	7,634,302	11,889
TOTAL Base Costs	10,807,871	10,857,623	49,752
1.0% Billable Vacant	108,079	108,576	497
Sprint Tower	(9,600)	(9,600)	0
Camp George Electric & Gas	293,156	293,156	0
TOTAL	11,199,506	11,249,755	50,249

FY 09 Statewide Budget Amendment						
Square Footage by Agencies						
Agencies	Denver	Pierce Street	North Campus	Grand Junction	Camp George West	Total
Agriculture	13,553	-	-	-	-	13,553
Corrections	-	-	-	-	42,624	42,624
Correctional Industries	-	-	-	-	18,672	18,672
Education	44,433	-	-	-	-	44,433
General Assembly	111,981	-	-	-	-	111,981
Governor, Lt Governor, OSPB	21,157	-	-	-	-	21,157
HCPF	31,512	-	-	-	-	31,512
Human Services	99,087	-	-	3,104	-	102,191
Law	92,431	-	-	-	-	92,431
Local Affairs	33,228	-	-	3,458	17,084	53,770
Military Affairs	-	-	-	-	49,032	49,032
Natural Resources	69,107	-	-	-	-	69,107
Personnel & Administration	82,734	-	32,807	2,990	-	118,531
Public Health	-	-	-	3,996	-	3,996
Public Safety	66,830	-	-	-	134,386	201,216
Regulatory Agencies	-	-	-	162	-	162
Revenue	74,580	116,448	5,700	5,869	-	202,597
Transportation	100	-	-	12,305	18,251	30,656
Treasurer	4,379	-	-	-	-	4,379
Labor & Employment	-	-	4,364	1,295	-	5,659
CSU Forest Service	-	-	-	1,320	5,706	7,026
Construction-Annex Life Safety/unallocated	9,254	-	-	-	-	9,254
Total	754,366	116,448	42,871	34,499	285,755	1,233,939

STATE OF COLORADO FY 08-09 Supplemental Request: Colorado Department of Personnel & Administration

FY 2008-09 Budget Amendment for Capitol Complex Leased Space by Agencies									
Agencies	Denver	Pierce Street	North Campus	Grand Junction	Camp George West	Camp George West Utilities (Electric/Gas)	FY 09 Total	FY 09 Common Policy	Increase/Decrease
Agriculture	\$ 169,718	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 169,718	\$ 169,616	\$ 102
Corrections	\$ -	\$ -	\$ -	\$ -	\$ 59,217	\$ 81,615	\$ 140,832	\$ 135,735	\$ 5,097
Correctional Industries	\$ -	\$ -	\$ -	\$ -	\$ 25,941	\$ 18,442	\$ 44,382	\$ 42,149	\$ 2,233
Education	\$ 556,414	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 556,414	\$ 556,078	\$ 336
General Assembly	\$ 1,402,287	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,402,287	\$ 1,401,441	\$ 847
Governor, Lt Governor, OSPB	\$ 264,940	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 264,940	\$ 264,780	\$ 160
HCPF	\$ 394,610	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 394,610	\$ 394,372	\$ 238
Human Services	\$ 1,240,822	\$ -	\$ -	\$ 24,574	\$ -	\$ -	\$ 1,265,396	\$ 1,264,601	\$ 795
Law	\$ 1,157,471	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,157,471	\$ 1,156,773	\$ 699
Local Affairs	\$ 416,099	\$ -	\$ -	\$ 27,377	\$ 23,735	\$ 8,329	\$ 475,540	\$ 473,194	\$ 2,346
Military Affairs	\$ -	\$ -	\$ -	\$ -	\$ 68,120	\$ 21,625	\$ 89,744	\$ 83,881	\$ 5,864
Natural Resources	\$ 865,396	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 865,396	\$ 864,873	\$ 522
Personnel & Administration	\$ 1,036,040	\$ -	\$ 128,285	\$ 23,672	\$ -	\$ -	\$ 1,187,997	\$ 1,185,787	\$ 2,211
Public Health	\$ -	\$ -	\$ -	\$ 31,636	\$ -	\$ -	\$ 31,636	\$ 31,577	\$ 59
Public Safety	\$ 836,882	\$ -	\$ -	\$ -	\$ 186,701	\$ 134,273	\$ 1,157,856	\$ 1,141,279	\$ 16,577
Regulatory Agencies	\$ -	\$ -	\$ -	\$ 1,283	\$ -	\$ -	\$ 1,283	\$ 1,280	\$ 2
Revenue	\$ 933,932	\$ 672,254	\$ 22,289	\$ 46,465	\$ -	\$ -	\$ 1,674,939	\$ 1,666,173	\$ 8,766
Transportation	\$ 1,252	\$ -	\$ -	\$ 97,418	\$ 25,356	\$ 26,317	\$ 150,343	\$ 147,977	\$ 2,366
Treasurer	\$ 54,836	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 54,836	\$ 54,803	\$ 33
Labor & Employment	\$ -	\$ -	\$ 17,065	\$ 10,252	\$ -	\$ -	\$ 27,317	\$ 27,093	\$ 224
CSU Forest Service	\$ -	\$ -	\$ -	\$ 10,450	\$ 7,927	\$ 2,555	\$ 20,933	\$ 20,231	\$ 702
Construction-Annex Life Safety/unallocated	\$ 115,884	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 115,884	\$ 115,814	\$ 70
Total Billable Costs	\$ 9,446,583	\$ 672,254	\$ 167,638	\$ 273,128	\$ 396,996	\$ 293,156	\$ 11,249,755	\$ 11,199,506	\$ 50,250

Assumptions for Calculations

Capitol Complex Leased Space appropriations for state agency tenants are calculated based upon each agency's allocation of DPA's total facilities management program costs (total costs factored against each agency's proportionate square footage in the Capitol Complex, Camp George West and at the Grand Junction State Services building).

As referenced previously, the updates to recoverable costs and agency allocations for Capitol Complex Leased Space in this request represent revised estimates of the Department's share of the referenced items associated with the operation of, and delivery of services related to this Common Policy via the Division of Central Services, Facilities Maintenance. Recoverable costs generally include program appropriations contained in the Long Bill and other special and/or supplemental bills, salary POTs (i.e salary survey, performance pay, health life and dental, etc) associated with the program, the statewide indirect cost assessment for the program as identified in the Statewide Indirect Cost Allocation Plan (SWCAP), and other central appropriations to reflect the Capitol Complex Facilities Maintenance share/allocation of central departmental appropriations such as leased space, risk management payments, workers' compensation, etc. These annual historic updates and the increases and decreases in estimates for items included in recoverable costs are related generally to statewide allocations that have been revised based upon other statewide supplementals that are under consideration in the current budget cycle (i.e., GGCC, MNT, Capitol Complex Leased, Workers' Compensation, Risk Management, etc.)

Assumptions for Leased Space for State-Owned Facilities

Leased space assumptions are as presented in the FY 2008-09 Common Policies in August 2007, and during FY 2007-08 figure-setting last spring with one notable exception. The Capitol Life Safety Project is slated to end by January 2008, meaning that the "swing space" on the lower floors of the State Services Building at 1525 Sherman Street, which has been utilized to temporary relocate tenants of the State Capitol during phases in recent years during the renovation and maintenance of the Capitol building will no longer be required. As such, funds associated with that project are only anticipated to be necessary for one half of FY 2008-09. The space will remain unallocated budgetarily

for the remainder of FY 2008-09 for the time being, although it is likely that another State agency tenant will absorb this space during the next fiscal year. This item will be incorporated at the soonest point available in the State's budget cycle once plans are finalized.

Impact on Other Government Agencies:

This request is a statewide common policy oriented supplemental true-up that impacts multiple agencies who are tenants in state-owned facilities in the Capitol Complex, Grand Junction and Camp George West. Refer to the "Calculations for Request" above for allocations by agency.

Consequences if Not Funded:

As referenced in prior requests, and in other supplementals and budget amendments related to common policy items, the approved cost allocation billing methodology must meet with federal guidelines and must be consistently applied in order for the State to avoid federal penalties, which can be substantial. In the current fiscal year, this adjustment should be made through the FY 2007-08 supplemental process. If this request is not approved, current year appropriations for leased space would remain at a level that was originally calculated based on outdated estimates of program costs, including cost basis assumptions that are nearly a year out of date, which is neither prudent or equitable In addition, the Department would be unable to justify that its level of billings to customers is accurate and equitable, and is based on actual program costs.

Further, unless the requested \$85,000 appropriation transfer between the Capitol Complex Utilities and Operating line items is approved, expenditures on the Operating Expenses line item could exceed appropriations. Once over-expenditures occur, payments to vendors would be held until the issue is resolved. Delayed payment could result in late fees that would create further pressure on the already overspent lines. If statutory transfer authority is not approved to cover the over-expenditures, the amount of the over-expenditure would be restricted from the following year's appropriation, merely compounding the problem for the next year.

Performance Measure:

The following performance measure from the Department's FY 2008-09 Strategic Plan is directly associated with the delivery of property management and facilities maintenance services to State agency tenants.

Objective: Support Greening of State Government					
Performance Measure	Outcome	FY 05-06 Actual	FY 06-07 Actual	FY 07-08 Projected	FY 08-09 Projected
Align Capitol Complex initiatives with Greening of State Government Executive Order in order to reduce the overall energy use in buildings by 20% by 2012. (Performance measure will be based on % reduction in kilowatt hours of electrical usage from the prior fiscal year.)	Benchmark		-3%	-3%	-3%
	Actual (KwH & %decr)	30,751,950 (Base Year)	29,753,270 (-3.2%)		

Implementation Schedule:

N/A

Statutory and Federal Authority:

Colorado Revised Statutes 18-9-17; 24-1-136.5; 24-30-1108; 24-30-1303; 24 -50.3-104 (2) (f) and 24-82-101 through 103;

24-50.3-104 (2) (f)

(2) In addition to all other powers and duties conferred or imposed upon the executive director by this article or any other law, the executive director shall:

(f) Supervise the provision of maintenance and other related services to all buildings and grounds in the capitol buildings group.

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The department of personnel shall have control of the capitol and legislative services building and grounds and any other property the state may acquire adjacent thereto, together with all furniture, fixtures, furnishings, and equipment and all exhibits placed in and about said buildings, including supervision of the provision of maintenance for the state capitol buildings group, and including assignment of all executive space owned and rented in the capitol buildings group, subject to legislative appropriation, subject to the provisions of section 2-2-321, C.R.S., concerning space for the legislative department, and subject to the provisions of section 24-82-108, concerning preservation of the state capitol building.

Schedule 13
Change Request for FY 08-09 Budget Request Cycle

Request Title: Decision Item FY 08-09 ☐ Base Reduction Item FY 08-09 ☐ Supplemental FY 07-08 ☒ Budget Request Amendment FY 08-09 ☒
 FY 2007-08 & 2008-09 MNT Truth-in-Rates Statewide Realignment
Department: Personnel & Administration **Dept. Approval by:** *[Signature]* **Date:** January 2, 2008
Priority Number: Statewide Supplemental #3, Statewide Budget Amendment #3 **OSPB Approval:** *[Signature]* **Date:** 12/18/07

		1	2	3	4	5	6	7	8	9	10
	Fund	Prior-Year Actual FY 06-07	Appropriation FY 07-08	Supplemental Request FY 07-08	Total Revised Request FY 07-08	Base Request FY 08-09	Decision/ Base Reduction FY 08-09	November 1 Request FY 08-09	Budget Amendment FY 08-09	Total Revised Request FY 08-09	Change from Base (Column 5) FY 09-10
Total of All Line Items	Total	36,257	41,251	60,514	101,765	41,251	4,950	46,201	58,485	104,686	63,435
	FTE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	GF	0	0	0	0	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	0	0	0	0	0	0	0	0	0	0
	CFE	36,257	41,251	60,514	101,765	41,251	4,950	46,201	58,485	104,686	63,435
	FF	0	0	0	0	0	0	0	0	0	0
(1) Executive Office Multiuse Network Payments	Total	36,257	41,251	60,514	101,765	41,251	4,950	46,201	58,485	104,686	63,435
	FTE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	GF	0	0	0	0	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	0	0	0	0	0	0	0	0	0	0
	CFE	36,257	41,251	60,514	101,765	41,251	4,950	46,201	58,485	104,686	63,435
	FF	0	0	0	0	0	0	0	0	0	0

Letternote revised text:

Cash Fund name/number, Federal Fund Grant name: COFRS Fund 603 (Telecommunications Revolving Fund)

IT Request: ☒ Yes ☐ No

Request Affects Other Departments: ☒ Yes ☐ No

If Yes, List Other Departments Here: Departments of Agriculture, Corrections, Education, Offices of the Governor, Human Services, Judicial, Labor & Employment, Local Affairs, Military & Veterans' Affairs, Natural Resources, Personnel & Administration, Public Health & Environment, Public Safety, Revenue, State, and Transportation

CHANGE REQUEST for FY 2008-09

Department:	Colorado Department of Personnel & Administration
Priority Number:	Statewide Supplemental # 3, Statewide Budget Amendment #3
Change Request Title:	FY 2007-08 & FY 2008-09 MNT Truth-in-Rates Statewide Realignment

SELECT ONE (click on box):

- ☐ Decision Item FY 08-09
- ☐ Base Reduction Item FY 08-09
- ☒ Supplemental Request FY 07-08
- ☒ Budget Request Amendment FY 08-09
- ☐ Supplemental Request FY 06-07

SELECT ONE (click on box):

Supplemental or Budget Request Amendment Criterion:

- ☐ Not a Supplemental or Budget Request Amendment
- ☐ An emergency
- ☐ A technical error which has a substantial effect on the operation of the program
- ☒ New data resulting in substantial changes in funding needs
- ☐ Unforeseen contingency such as a significant workload change

Short Summary of Request:

This annual request updates Multi-Use Network (MNT) Common Policy allocations/appropriations statewide for FY 2007-08 and FY 2008-09. It includes updates to individual agencies' circuit inventory, and revises assumptions related to infrastructure components and recoverable costs associated with the provision of MNT to customers. For FY 2008-09 the request revises the FY 2008-09 MNT Statewide Decision Item previously submitted based upon the most current updated assumptions.

For reference, this request contains a net decrease in departmental appropriations statewide of \$73 for FY 2007-08 and an incremental decrease of \$204,000 for FY 2008-09 (relative to the recoverable costs reflected in the FY 2008-09 Statewide Decision Item previously referenced), and specific agency allocations are realigned based upon the most current analysis. The DPA customer share, as reflected on the attached Schedule 13 is for an increase of \$60,514 cash funds exempt to the Executive Office, Multiuse Network Payments line item for FY 2007-08 and an increase of \$58,485 for FY 2008-09.

Background and Appropriation History:

MNT is an enterprise-class service providing secure, high-speed broadband access over carrier-class infrastructure owned and operated by Qwest and its partners. It is exclusively fiber optic, except in Silverton, where a reliable high-speed microwave link has been deployed. The MNT network is self-healing. If any one path is cut, traffic is automatically re-routed. The MNT network receives a much higher level of service commitment from its carriers (Qwest and its partners) than is provided by common commercial enterprise services, or for DSL or cell services. All internal state traffic remains inside of the network and does not traverse the Internet. As such, the MNT is an intranet for state government and its political subdivisions. The MNT maintains two independent connections to the Internet and two separate connections across the area code (i.e., LATA) boundary between northern and southern Colorado.

The MNT concept was formulated in the February 1998 “Strategic Plan for a Statewide Telecommunications Infrastructure.” It was authorized as a state program by SB 96-102. Its goal was to connect urban and rural communities across the state, bridging the digital divide. Its method was to use the public sector as an anchor tenant for telecommunications investment. The Department of Personnel and Administration, Division of Information Technologies (DoIT) launched the MNT Program in June 2000 by formally entering into a public-private partnership with Qwest Communications. As anchor tenant, the State of Colorado agreed to aggregate its data telecommunications circuits onto the MNT. Qwest agreed to build a high speed digital network comprised, where possible, of fiber-optic infrastructure spanning every county seat in the state. A sister program to the MNT, the Beanpole Project, authorized by HB 99-1102, addressed the “last-mile” issue. The Beanpole Project was managed by the Department of Local Affairs.

Under the MNT program, Qwest and its partners built a statewide fiber optic network spanning all of Colorado’s county seats, with the exception of Silverton to which high-speed, reliable microwave was deployed. This network, owned and operated by Qwest and its partners and available to all Qwest customers, is called the Colorado High Speed Digital Network (CHSDN). Traffic originating within county seats is routed to anywhere

in the network without mileage charges, using the telecommunications routing protocol called Asynchronous Transfer Mode (ATM). The State serves as the anchor tenant on the CHSDN. Using ATM, five large telecommunications switches and wholesale access to the Internet, DoIT has created the MNT as a sub-network of the CHSDN. The MNT provides cost-effective, quality, high-speed broadband data communications and Internet access to Colorado's public sector: e.g., state agencies, schools, colleges, libraries, hospitals and local government.

Project build-out was successfully completed in three years. Qwest and its strategic partners (CenturyTel, Phillips Telephone and Eastern Slope) established a total of 65 points of service (termed ANAPs or Aggregated Network Access Points) throughout Colorado. Qwest and its strategic partners have invested approximately \$60 million in the infrastructure for the MNT, and the State dedicated its annual data circuit business to the MNT (approximately \$7 million per year) and agreed to pay fees of \$9.5 million over five years to reserve 20 Mbps of bandwidth at each ANAP for public sector use. This income stream allowed Qwest and its partners to make the capital investment necessary to deploy fiber-optic points of presence in rural parts of Colorado where an adequate business case did not exist prior to the MNT.

In addition to the 65 ANAPs operated by Qwest and its partners, the State has installed five Super ANAP sites to route internal state traffic utilizing MGX 8850 carrier grade switch equipment. The State installed 39 Edge sites at circuit aggregation points among the larger state agency operations throughout Colorado. (An "Edge" site is an end-user access point to the MNT designed to be shared among high-bandwidth public sector users.) The State also installed an additional 15 county points of presence (CPOPs) to aggregate circuits at the county level that are not sufficient to justify a full Edge site.

As a result of the MNT Program, Colorado has bridged the Digital Divide with a network that is capable of delivering voice, video and data services to every county in the state. This network provides a pipeline to the state's rural areas capable of supporting growth in both existing and new economy industries while also providing access for public sector services in healthcare, education and government.

Recoverable Costs

Appropriations for Multiuse Network Payments represent the cost to State agencies for circuits and their share of recoverable costs associated with DPA's provision of and administration of MNT to its customers. Recoverable costs include funding for contracts with Qwest and its partners (including ANAP fees, LATA crossing fees, costs associated with existing MNT circuits, network monitoring, Internet access costs, etc), infrastructure (backbone) costs, anticipated billings based on department-by-department circuit inventory, and estimated administrative/operational costs and overhead.

While the components that are included in "recoverable costs" may be very specific, the projection for recoverable costs and the subsequent allocations to State agencies that result in the initial Common Policies annually are a best estimate given current information available at this time, and are developed approximately six to seven months prior to Common Policy figure setting in the spring and ten months prior to the start of the applicable fiscal year. As a result, the MNT Common Policy allocations for State agencies are generally updated/revised at least twice: once in late February/early March each year to incorporate the results of JBC action taken during figure setting for DPA, other agencies, and other Common Policies, and in addition, a Supplemental Request (and possibly a statewide Budget Amendment Request) are generally required annually, as has been the case historically, in order to "true-up" recoverable costs and to update utilization and circuit inventory by department to reflect the most current data at that time (at a minimum to capture the most current actual circuit inventory/utilization). For reference, the calculations of recoverable program costs and resulting allocations to agencies are outlined in the "Calculations for Request" below.

It is also relevant to clarify that this program contains many components over which DPA does not have full control, including circuit expenses. Note also that many of the current assumptions incorporated in this request for FY 2007-08 (the Supplemental request year) related to utilization, including circuit charges, were already incorporated, to the extent

known at the time, in the MNT FY 2008-09 Statewide Decision Item that is included in DPA's FY 2008-09 Executive Budget Request.

Finally, with regard to updates to recoverable costs, it is important in this context to clarify that the MNT program resources are a "subset" of the Division of Information Technologies, Network Services. Appropriated resources associated with the provision of MNT are budgetarily commingled with other non common policy oriented, direct billed telecommunications services (i.e. long distance, cellular, basic phone service, etc). As such, while updates to recoverable costs for MNT are quantified in this request, and proposed agency allocations/billings are based on these recoverable costs, increases or decreases in MNT recoverable costs do not always necessitate either increases or decreases to the Network Services base budget. In fact, there are occasions where costs to provision MNT may increase, but the cost increases can be absorbed in the base Network Services program appropriations due to program efficiencies experienced in other telecommunications services, or fluctuations in volumes in other services (or vice versa).

The following section describes the various components of MNT recoverable costs and material changes in the cost estimates for the current fiscal year and/or FY 2008-09.

Description of Cost Components

- Circuits – All Vendors: These are the monthly charges from the various telecommunication vendors that DoIT pays for the circuits required to provision MNT.

This component has decreased over FY 2007-08 based upon changes to actual circuit utilization that has been experienced since FY 2007-08 figure-setting over six months ago. This is the most current view of circuit utilization available, and any anticipated increases planned by agencies are incorporated to the extent possible. If additional projections surface during the current budget cycle that have material impact, a supplemental for FY 2008-09 would likely be submitted to address changes in utilization as applicable.

- **Circuits –NRC:** This represents one-time, or non-recurring charges (NRC) associated with the provisioning of MNT circuits on behalf of DoIT customers.

A reduction of \$375,000 has occurred since FY 2007-08 figure-setting based upon one time provisioning costs associated with the Office of the Secretary of State that were originally projected for FY 2007-08, were determined to be unnecessary, and have since been eliminated from recoverable costs for FY 2007-08 forward.

- **NMS: Network Monitoring Services (NMS)** are the monthly charges from Qwest to monitor the numerous critical routers and switches on a 24 by 7 by 365 basis that interconnect the thousands of individual circuits that make up the Multiuse Network (MNT).

This component of recoverable costs decreased by ~\$60,000 from FY 2007-08 to FY 2008-09 based upon updated contract terms (renegotiation).

- **Equipment Maintenance:** This represents the annual cost, represented both as an annual and as a monthly cost, associated with the equipment maintenance contracts for the MNT routers and switches.

This component of recoverable costs decreased by ~\$130,000 over FY 2007-08 based upon updated contract terms (renegotiation).

- **LATA Crossing Costs:** This the tariff cost to connect the MNT circuits across the boundary between the southern an northern LATA (Local Access Transport Area) within the State of Colorado.

The cost for this component has not changed from FY 2007-08 to FY 2008-09.

- **FRGP:** This represents the recoverable cost the statewide connection the Internet. The state connects to the Internet through the Front Range Gigapop (FRGP).

This cost has increased by \$60,000 from FY 2007-08 to FY 2008-09 because of the addition of a redundant, fault tolerant secondary access point, but also because of an increase in bandwidth to support MNT customers statewide.

- ANAP fees: This is the monthly cost for circuits connecting to the Qwest provisioned Aggregated Network Access Points (ANAPs) throughout the state.

The cost for this component has not changed from FY 2007-08 to FY 2008-09.

- Non-Qwest aggregation costs: The monthly costs for circuits connecting to the non-Qwest Aggregated Network Access Points throughout the state.

The cost for this component has not changed from FY 2007-08 to FY 2008-09.

- Personnel costs, POTS, allocated overhead, indirect costs & central appropriations: All of these costs represent the share of these items associated with the MNT program. Personnel costs generally represent the portion of the DoIT Network Services and Order Billing personal services appropriations that are dedicated to MNT. POTS identify the portion of personnel costs associated with salary POTs (i.e salary survey, performance pay, health life and dental, etc). Allocated overhead (DoIT Admin) represents the portion of personnel resources associated with the DoIT Administration unit that is attributed to MNT, and as such should be recovered through this program. Indirect costs represent the MNT portion of the statewide indirect cost assessment for DoIT Network Services, as identified in the Statewide Indirect Cost Allocation Plan (SWCAP). Finally, central appropriations reflect the MNT share/allocation of central departmental appropriations such as leased space, capitol complex leased space, risk management payments, workers' compensation, GGCC, etc.

General Description of Request:

Revisions to Recoverable Costs

This request realigns the Program's recoverable costs and subsequent allocations to State agency customers in the current fiscal year (FY 2007-08), given that this request has the benefit of six additional months of information and analysis that was not available during FY 2007-08 figure setting. As such, this should be considered to be the most current Department analysis of MNT funding requirements and allocations to State agency customers for the Supplemental Request year. In addition, the request makes further updates to the FY 2008-09 MNT Statewide Decision Item previously referenced.

As discussed previously, the updated recoverable costs by component for FY 2007-08 and FY 2008-09 are referenced in the "calculations for request", however, specific adjustments of note that are identified in the current recoverable costs, along with basic definitions of the components are reflected in the "background and appropriations history" above.

Notable Changes to Agency Allocations

As identified above in the Summary of Request, one of the components of the request is to reflect updated circuit inventories by agency and to subsequently recalibrate agency allocations. Buildouts, adjustments to infrastructure costs, substantive increases in utilization (circuit inventory), and reductions in utilization (circuit aggregation, migration, etc) are captured here.

With regard to utilization based updates, this has historically been a challenging aspect of MNT to project. For example, FY 2008-09 agency allocations presented in the FY 2008-09 MNT Statewide Decision Item (as submitted in the November 1' 2007 FY 2008-09 Executive Budget Request) are in some cases significantly different (increased or decreased) from the FY 2008-09 allocations presented in this request. This intuitively may seem unreasonable given that the two items are submitted to the Joint Budget Committee only two months apart; however, the gap is actually much wider than two months as the FY 2008-09 allocations are annually calculated approximately the first week in August in order that they can be distributed to agency budget officers as early as possible for inclusion in agency Executive Budget Requests. This requires that circuit

utilization data and allocation of infrastructure costs by agency from the previous fiscal year be used generally for the Decision Item, while the Budget Amendment has historically allowed the Department the benefit of incorporating additional and therefore, more accurate updates to utilization data based on an analysis in early November. It is not uncommon for agencies to be unable to fully share their agency's future circuit needs with any precision by the time the initial request is constructed in August. Additionally, the current process to reconcile circuit billings from Qwest and its partners to specific agency circuit allocations is another significant challenge given the complexity of the monthly billings for the State. The Department is currently in discussions with its service providers that are anticipated to result in improvements to the circuit billing process that will allow for fairly seamless updates to circuit inventories, while also allowing for a more enhanced level of reporting capability for customers. It is anticipated that this process will be fully implemented prior to calculation of the FY 2009-10 Common Policy for MNT several months from now.

Finally, the Department also would like to highlight that MNT circuits are often difficult to project even when agencies attempt to provide upfront information regarding potential increases or decreases in circuits. This results primarily because even if an agency or program anticipates a circuit aggregation or migration, and communicates such to DPA, it may not materialize nearly to the extent that is initially communicated to DPA, or the change may not occur in the same time frame anticipated (occasionally crossing fiscal years). Similar difficulties occur if an agency attempts to use other means to adjust circuits, such as contacting service providers directly about planned changes without notifying DPA. In summary, it is a combination of prior notification and actual experiences and actions that ultimately drive changes in agency allocations.

It should be noted, as referenced above, that the circuit inventory/utilization updates contained in this Statewide Supplemental and Budget Amendment Request may in some cases represent material increases or decreases in aggregate over prior year circuit utilization and expense. For example, this request includes materially significant adjustments to allocations for various agencies as bulleted below:

- Secretary of State

The Department of State has experienced a significant reduction in FY 2007-08 and FY 2008-09 based upon the elimination of a previously forecasted need to support/provision HAVA circuits.

- Department of Military & Veteran's Affairs

The Department of Military & Veteran's Affairs experienced a significant reduction beginning with FY 2008-09 allocations based upon the elimination of MNT connections for the National Guard, which is anticipated to occur by June 30, 2008, and the only remaining DMVA connection to be billed is a T-1 connection at Revere Parkway. This information was only communicated to the Department in recent weeks, November 27th.

- Department of Public Health & Environment

The Department of Public Health and Environment has experienced a significant reduction in FY 2007-08 and FY 2008-09 based upon a reduction in non-metro connections.

- Department of Revenue

The Department of Revenue (DOR) continues to require additional circuits and circuit bandwidth in support of their statewide operations, while migrating several county circuits from 64k to T-1. As the migrations are in progress both the 64k and T-1 connections must be provisioned; with only the T-1 remaining following conversion. The DOR fluctuations reflect these migrations in addition to the normal true up.

- Department of Regulatory Agencies

The Department of Regulatory Agencies no longer has any MNT connections other than to the internet

- Department of Agriculture

This Department no longer has any MNT connections other than to the internet.

- Department of Personnel & Administration

This request includes a significant increase for the Department of Personnel and Administration's customer share of the recoverable MNT costs and associated billings for both years. Note that this increase in the DPA customer allocation is largely related to continued server aggregation, and the costs for the associated circuits, at 690 Kipling. Associated with the success of the MNT is the continuing need to increase systemwide bandwidth. Therefore, the need to increase DPA connection costs resulting from server aggregation is exacerbated by the fact that almost all departments must connect to the Data Center. These two have added to the DPA allocation of MNT costs to be recovered.

- Department of Labor & Employment

This adjustment is reflective of the November 2007 inventory whereas the earlier allocation was based on an older inventory analysis which did not have the level of detail available that was used in the November analysis.

- Department of Local Affairs

This adjustment when compared to the FY2007-08 allocation is less than \$10,000. The appearance of a more significant adjustment is the result of the same anomaly which affected the other departmental requests earlier; namely the original submission was based on older inventory data which, when a department is experiencing change can result in over or under estimates that when corrected at final submission result in the appearance of large changes as noted.

- Office of the Governor

The Governor's office has been able to aggregate its connections in addition to the fact that the need to provide connections at 1525 Sherman will be eliminated with the return to the Capitol of those offices that were temporarily relocated.

Consequences if Not Funded:

If this request is not approved and funded, there would be no further realignment of FY 2007-08 or FY 2008-09 State agency appropriations and billings to reflect updated utilization and program costs. This would inequitably result in some agencies essentially being under billed for MNT, while other agencies would unfairly be burdened by being

forced to pay for excessive telecommunications billings (above the level of actual consumption) from continuation level MNT and operating appropriations. In addition, this scenario would not allow the Department to recover its costs as statutorily required, and could divert resources unnecessarily from other Network Services applications and services offerings to MNT, resulting in cross-subsidization which would likely lead to federal audit concerns.

Calculations for Request:

Summary of Request FY 07-08 (Reconciles to Schedule 13)	Total Funds	Cash Funds Exempt
Total Request [Items below total to this]	\$ 60,514	\$60,514
Executive Office, Multi-use Network Payments	\$60,514	\$60,514

Summary of Request FY 08-09 (Reconciles to Schedule 13)	Total Funds	Cash Funds Exempt
Total Request [Items below total to this]	\$ 58,485	\$ 58,485
Executive Office, Multi-use Network Payments	\$58,485	\$58,485

FY 2007-08 MNT Supplemental Agency Allocations

DEPT	Department Name	FY08 Long Bill MNT Line	FY08 Supplemental MNT Line	Net Increase (Decease)
AAA	Department of Personnel & Administration	\$ 41,251	\$ 101,765	\$ 60,514
BAA	Department of Agriculture	\$ 16,042	\$ -	\$ (16,042)
CAA	Department of Corrections	\$ 1,078,262	\$ 1,201,266	\$ 123,004
DAA	Department of Education	\$ 33,230	\$ 34,641	\$ 1,411
EAA	Office of the Governor	\$ 48,126	\$ 17,741	\$ (30,385)
FAA	Department of Public Health and	\$ 142,088	\$ 60,133	\$ (81,955)
GAA	Department of Higher Education	\$ -	\$ -	\$ -
HAA	Department of Transportation (Not Approp)	\$ 1,149,306	\$ 1,454,048	\$ 304,742
IHA	Department of Human Services	\$ 2,041,936	\$ 2,207,744	\$ 165,808
JAA	Judicial (JAA + PD (JCA))	\$ 540,850	\$ 521,583	\$ (19,267)
JAA	Judicial (JAA)	\$ 305,053	\$ 324,521	\$ 19,468
JCA	Judicial - Public Defender (JCA)	\$ 235,797	\$ 197,062	\$ (38,735)
KAA	Department of Labor & Employment	\$ 88,232	\$ 73,414	\$ (14,818)
LAA	Department of Law	\$ -	\$ -	\$ -
MAA	General Assembly	\$ -	\$ -	\$ -
NAA	Department of Local Affairs	\$ 82,503	\$ 65,530	\$ (16,973)
OAA	Department of Military Affairs	\$ 381,574	\$ 403,390	\$ 21,816
PAA	Department of Natural Resources	\$ 943,050	\$ 1,024,270	\$ 81,220
RAA	Department of Public Safety	\$ 969,405	\$ 1,158,210	\$ 188,805
SAA	Department of Regulatory Agencies	\$ -	\$ -	\$ -
TAA	Department of Revenue	\$ 2,166,837	\$ 2,584,124	\$ 417,287
TAA	Department of Revenue - Admin	\$ 1,852,869	\$ 2,330,441	\$ 477,572
TFA	Department of Revenue - Lottery	\$ 313,968	\$ 253,684	\$ (60,284)
UHA	Department of Health Care Policy & Finance	\$ -	\$ -	\$ -
VAA	Secretary of State	\$ 1,735,990	\$ 550,750	\$ (1,185,240)
WAA	Department of Treasury	\$ -	\$ -	\$ -
STATE	TOTAL BILLING ALL STATE AGENCIES	\$11,458,682	\$11,458,609	\$ (73)
	TOTAL BILLING ALL STATE AGENCIES (appropriated)	\$10,309,376	\$10,004,561	\$ (304,815)

FY 2007-08 MNT Recoverable Program Costs

MNT Cost Details	FY08 Supplemental	FY 08 Long Bill
Circuits - All Vendors	\$ 8,412,000	\$ 8,412,000
Circuits - NRC	\$ 375,000	\$ 375,000
NMS	\$ 396,000	\$ 396,000
OCC	\$ -	\$ -
Equipment Maintenance	\$ 500,000	\$ 500,000
LATA Crossing Costs	\$ 156,000	\$ 156,000
FRGP (Internet) fees	\$ 120,000	\$ 120,000
Subtotal MNT program Costs	\$ 9,959,000	\$ 9,959,000
Personnel Costs	\$ 815,398	\$ 815,398
POTS	\$ 164,478	\$ 164,478
Allocated Overhead (DoIT Admin)	\$ 428,953	\$ 429,026
Indirect Costs	\$ 25,776	\$ 25,776
Central Appropriations	\$ -	
Subtotal w/o ANAP	\$ 11,393,605	\$ 11,393,678
Qwest ANAP fees	\$ 365,004	\$ 365,004
Non-Qwest aggregation costs	\$ 780,000	\$ 780,000
Total MNT Program Costs	\$ 12,538,609	\$ 12,538,682
Amount from NSA	\$ 1,080,000	\$ 1,080,000
Amount from State Agencies	\$ 11,458,609	\$ 11,458,682
TOTAL MNT BILLING	\$ 12,538,609	\$ 12,538,682
<i>total MNT billing State Agencies</i>	<i>\$ 11,458,609</i>	<i>\$ 11,458,682</i>

FY 2008-09 Revised MNT Agency Allocations (Budget Amendment)

DEPT	Department Name	FY09 MNT DI (November 1 request)	FY09 Requested MNT Line	Net Increase (Decease)
AAA	Department of Personnel & Administration	\$ 46,201	\$ 104,686	\$ 58,485
BAA	Department of Agriculture	\$ 18,578	\$ -	\$ (18,578)
CAA	Department of Corrections	\$ 1,218,041	\$ 1,235,755	\$ 17,714
DAA	Department of Education	\$ 37,162	\$ 35,640	\$ (1,522)
EAA	Office of the Governor	\$ 54,264	\$ 18,250	\$ (36,014)
FAA	Department of Public Health and	\$ 161,031	\$ 61,859	\$ (99,172)
GAA	Department of Higher Education	\$ -	\$ -	\$ -
HAA	Department of Transportation (Not Approp)	\$ 1,298,001	\$ 1,495,791	\$ 197,790
IHA	Department of Human Services	\$ 2,306,402	\$ 2,271,121	\$ (35,281)
JAA	Judicial (JAA + PD (JCA))	\$ 611,562	\$ 536,557	\$ (75,005)
JAA	Judicial (JAA)	\$ 344,934	\$ 333,838	\$ (11,096)
JCA	Judicial - Public Defender (JCA)	\$ 266,628	\$ 202,719	\$ (63,909)
KAA	Department of Labor & Employment	\$ 99,096	\$ 75,520	\$ (23,576)
LAA	Department of Law	\$ -	\$ -	\$ -
MAA	General Assembly	\$ -	\$ -	\$ -
NAA	Department of Local Affairs	\$ 92,901	\$ 67,412	\$ (25,489)
OAA	Department of Military Affairs	\$ 430,632	\$ 11,055	\$ (419,577)
PAA	Department of Natural Resources	\$ 1,065,664	\$ 1,053,673	\$ (11,991)
RAA	Department of Public Safety	\$ 1,095,618	\$ 1,191,460	\$ 95,842
SAA	Department of Regulatory Agencies	\$ -	\$ -	\$ -
TAA	Department of Revenue	\$ 2,448,370	\$ 2,658,315	\$ 209,945
TAA	Department of Revenue - Admin	\$ 2,093,592	\$ 2,397,345	\$ 303,753
TFA	Department of Revenue - Lottery	\$ 354,780	\$ 260,970	\$ (93,810)
UHA	Department of Health Care Policy & Finance	\$ -	\$ -	\$ -
VAA	Secretary of State	\$ 604,137	\$ 566,565	\$ (37,572)
WAA	Department of Treasury	\$ -	\$ -	\$ -
STATE	TOTAL BILLING ALL STATE AGENCIES	\$ 11,587,662	\$11,383,659	(\$204,003)
	TOTAL BILLING ALL STATE AGENCIES (appropriated)	\$ 10,289,661	\$9,887,868	(\$401,793)

FY 2008-09 MNT Recoverable Program Costs

MNT Cost Details	FY09 Budget Amendment	FY09 Decision Item	FY08 LB Ref
Circuits - All Vendors	\$ 8,532,000	\$ 8,736,000	\$ 8,412,000
Circuits - NRC	\$ -		\$ 375,000
NMS	\$ 336,384	\$ 336,384	\$ 396,000
OCC	\$ -		
Equipment Maintenance	\$ 370,640	\$ 370,640	\$ 500,000
LATA Crossing Costs	\$ 156,000	\$ 156,000	\$ 156,000
FRGP (Internet) fees	\$ 180,000	\$ 180,000	\$ 120,000
Subtotal MNT program Costs	\$ 9,575,024	\$ 9,779,024	\$ 9,959,000
Personnel Costs	\$ 868,592	\$ 868,592	\$ 815,398
POTS	\$ 102,047	\$ 102,047	\$ 164,478
Allocated Overhead (DoIT Admin)	\$ 434,035	\$ 434,035	\$ 429,026
Indirect Costs	\$ 121,894	\$ 121,894	\$ 25,776
Central Appropriations	\$ 217,068	\$ 217,068	\$ -
Subtotal w/o ANAP	\$ 11,318,660	\$ 11,522,660	\$ 11,393,678
Qwest ANAP fees	\$ 365,004	\$ 365,004	\$ 365,004
Non-Qwest aggregation costs	\$ 780,000	\$ 780,000	\$ 780,000
Total MNT Program Costs	\$ 12,463,664	\$ 12,667,664	\$ 12,538,682
Amount from NSA	\$ 1,080,000	\$ 1,080,000	\$ 1,080,000
Amount from State Agencies	\$ 11,383,664	\$ 11,587,664	\$ 11,458,682
TOTAL MNT BILLING	\$ 12,463,670	\$ 12,667,664	\$ 12,538,682
total MNT billing State Agencies	\$ 11,383,664	\$ 11,587,664	\$ 11,458,682

Assumptions for Calculations:

The table that follows clarifies the process by which the total recoverable costs for MNT are distributed across participating agencies based on each agency's circuit inventory as expressed in monthly/annualized dollars. The table provided is consistent with the FY 2008-09 portion of the request and reconciles to the \$12.4 million in total recoverable program costs for FY 2008-09 that is documented in the final table in the preceding section (and the \$11.3 million of state agency billings. For reference, these allocations were based on inventories taken November 8, 2007 ***and take into consideration certain projected reductions and/or additions for FY2008-09 that were disclosed to the department as recently as mid November, 2007.***

- The calculation begins by determining the base monthly cost associated with each agency's circuit inventory at a given point in time.
- The monthly base circuit cost per agency is annualized, and following that calculation the relative participation by agency is determined based upon their projected annual base circuit cost. It is this participation rate, or individual agency share of the MNT, that is used to determine the percentage of total shared network infrastructure costs that should be allocated to each agency, as discussed in the bullet below.
- At this point, additional costs associated with the operation of the MNT, including costs related to shared major circuit connections, network monitoring, equipment maintenance, and other common costs (including overhead and other program costs as outlined in the "calculations for request" above) are calculated and are allocated to customers based upon their relative participation in the MNT.
- The combination of all of the factors above results in the final allocation by agency.

STATE OF COLORADO FY 08-09 Budget Cycle: Colorado Department of Personnel & Administration

Column Numbers --->		1	2		3	4	5	6	7
		Reference Only	Reference Only			With "Build Out"	REVISED		
Department	Agency	FY08 Circuits 11/8/07 w/ reduced DVMA	Annualized		FY09 Dept REVISED Share of MNT	Department's FY09 Allocated MNT Expense	FY09 Total MNT Request	FY08 Long Bill	F09 MNT Increase (Decrease) over FY08 LB
Department of Personnel & Administration	AAA	\$ 4,639.55	\$ 55,674.60	√	0.920%	\$ 49,011	\$ 104,686	\$ 41,251	\$ 63,435
Department of Agriculture	BAA	\$ -	\$ -	√	0.000%	\$ -	\$ -	\$ 16,042	\$ (16,042)
Department of Corrections	CAA	\$ 54,767.16	\$ 657,205.92	√	10.856%	\$ 578,549	\$ 1,235,755	\$ 1,078,262	\$ 157,493
Department of Education	DAA	\$ 1,579.40	\$ 18,952.80	√	0.313%	\$ 16,687	\$ 35,640	\$ 33,230	\$ 2,410
Office of the Governor	EAA	\$ 808.89	\$ 9,706.68	√	0.160%	\$ 8,543	\$ 18,250	\$ 48,126	\$ (29,876)
Department of Public Health and Environment	FAA	\$ 2,741.50	\$ 32,898.00	√	0.543%	\$ 28,961	\$ 61,859	\$ 142,088	\$ (80,229)
Department of Higher Education	GAA	\$ -	\$ -	√	0.000%	\$ -	\$ -	\$ -	\$ -
Department of Transportation	HAA	\$ 66,291.58	\$ 795,498.96	√	13.140%	\$ 700,292	\$ 1,495,791	\$ 1,149,306	\$ 346,485
Department of Human Services	IHA	\$ 100,653.28	\$ 1,207,839.36	√	19.951%	\$ 1,063,282	\$ 2,271,121	\$ 2,041,936	\$ 229,185
Judicial (incl PD)	JAA	\$ 23,779.53	\$ 285,354.36	√	4.713%	\$ 251,203	\$ 536,557	\$ 540,850	\$ (4,293)
Judicial (JAA)	JAA	\$ 14,795.34	\$ 177,544.08	√	2.933%	\$ 156,294	\$ 333,838	\$ 305,053	\$ 28,785
Judicial - Public Defender (JCA)	JCA	\$ 8,984.19	\$ 107,810.28	√	1.781%	\$ 94,909	\$ 202,719	\$ 235,797	\$ (33,078)
Department of Labor & Employment	KAA	\$ 3,347.01	\$ 40,164.12	√	0.663%	\$ 35,356	\$ 75,520	\$ 88,232	\$ (12,712)
Department of Law	LAA	\$ -	\$ -	√	0.000%	\$ -	\$ -	\$ -	\$ -
General Assembly	MAA	\$ -	\$ -	√	0.000%	\$ -	\$ -	\$ -	\$ -
Department of Local Affairs	NAA	\$ 2,987.52	\$ 35,850.24	√	0.592%	\$ 31,562	\$ 67,412	\$ 82,503	\$ (15,091)
Department of Military Affairs	OAA	\$ 490.00	\$ 5,880.00	√	0.097%	\$ 5,175	\$ 11,055	\$ 381,574	\$ (370,519)
Department of Natural Resources	PAA	\$ 46,697.54	\$ 560,370.48	√	9.256%	\$ 493,303	\$ 1,053,673	\$ 943,050	\$ 110,623
Department of Public Safety	RAA	\$ 52,803.97	\$ 633,647.64	√	10.466%	\$ 557,812	\$ 1,191,460	\$ 969,405	\$ 222,055
Department of Regulatory Agencies	SAA	\$ -	\$ -	√	0.000%	\$ -	\$ -	\$ -	\$ -
Department of Revenue	TAA	\$ 117,813.29	\$ 1,413,759.48	√	23.352%	\$ 1,244,556	\$ 2,658,315	\$ 2,166,837	\$ 491,478
Department of Revenue - Admin	TAA	\$ 106,247.49	\$ 1,274,969.88	√	21.060%	\$ 1,122,386	\$ 2,397,356	\$ 1,852,869	\$ 544,487
Department of Revenue - Lottery	TFA	\$ 11,565.80	\$ 138,789.60	√	2.293%	\$ 122,180	\$ 260,970	\$ 313,968	\$ (52,998)
Department of Health Care Policy & Finance	UHA	\$ -	\$ -	√	0.000%	\$ -	\$ -	\$ -	\$ -
Secretary of State	VAA	\$ 25,109.39	\$ 301,312.68	√	4.977%	\$ 265,252	\$ 566,565	\$ 1,735,990	\$ (1,169,425)
State Agency Totals		\$ 504,510	\$ 6,054,115	#	100.000%	\$ 5,329,554	\$ 11,383,670	\$ 11,458,682	\$ (75,012)
NSA (Non-State Agencies)	999	\$ 90,000	\$ 1,080,000				\$ 1,080,000	\$ 1,200,000	\$ -
Total with NSA's		\$ 594,510	\$ 7,134,115	#	100.000%	\$ 5,329,554	\$ 12,463,670	\$ 12,658,682	\$ (75,012)

Impact on Other Government Agencies: This request is a Statewide Common Policy Supplemental and Budget Amendment that impacts multiple agencies who are MNT customers. Refer to the “Calculations for Request” above for allocations by agency.

Cost Benefit Analysis: The incremental decrease in agency allocations that is included in this request totals \$73 for FY 2007-08 (relative to FY 2007-08 agency Long Bill appropriations) while the FY 2008-09 adjustment represents an incremental decrease of \$204,000 in aggregate (relative to allocations from the FY 2008-09 MNT Statewide Decision Item), and merely realigns agency allocations. As such, there is no true budgetary cost, and in fact there are decreases in statewide costs as a result of this request, while the benefits to the request are multiple, as identified below.

Most notably, the current request aligns agency allocations based upon current and anticipated levels of utilization/service, along with updating recoverable program costs for both FY 2007-08 and FY 2008-09 for various components of the network infrastructure, program overhead, etc. If this adjustment to recoverable costs and resulting agency allocations is not made and the base FY 2007-08 (and initial FY 2008-09) allocations are held constant, agencies will be inequitably billed which could likely be problematic for agencies who fund their MNT allocation in full or in part with special funding sources (i.e. general funds, restrictive cash funds, grant funding and federal funds). In fact, federal auditors have routinely been cognizant of and attentive to the level of costs allocated to federal programs associated with various services managed by DPA in recent fiscal years. Furthermore, the State is subject to potential loss of federal financial participation for any inappropriate allocation of costs to federal programs.

Performance Measure: At this time there is no specific performance measure directly associated with this request; however, this request and this statutorily mandated program supports DPA’s Objective #5 to “align all relevant tools in concert with identified business needs.” More

generally, a performance measure within the Strategic Plan seeks to maintain Multiuse Network availability above 99.9%.

Statutory and Federal Authority:

24-30-903 (1), (3), and (7) C.R.S. – Duties and Responsibilities

1) The executive director of the department of personnel shall perform the following functions:

(a) In consultation with local, state, and federal departments, institutions, and agencies, formulate recommendations for a current and long-range telecommunications plan, involving telephone, radio, microwave, facsimile closed circuit and cable television, teleconferencing, public broadcast, data communications transmission circuits, fiber optics, satellites, cellular radio, and public safety radio communications systems required by the FCC public safety national plan and their integration into applicable telecommunications networks for approval of the governor;

(b) Administer the approved current and long-range plan for telecommunications and exercise general supervision over all telecommunications networks, systems, and microwave facilities, subject to the exception stated in subsection (2) of this section;

(c) Review all existing and future telecommunications applications, planning, networks, systems, programs, equipment, and facilities and establish priorities for those that are necessary and desirable to accomplish the purposes of this part 9;

(d) Approve or disapprove the acquisition of telecommunications equipment and necessary licenses by any state department, institution, or agency;

(e) Establish telecommunications procedures, standards, and records for management of telecommunications networks and facilities for all state departments, institutions, and agencies;

(f) Continually review, assess, and insure compliance with federal and state telecommunications regulations pertaining to the needs and functions of state departments, institutions, and agencies;

(g) Advise the governor and general assembly on telecommunications matters;

(3) The executive director of the department of personnel may enter into contracts with any county, city and county, state agency, private schools, school district, board of cooperative educational services, or library and may act as a telecommunications network provider between or among two or more counties or state agencies for the purpose of providing teleconferencing facilities and services between or among such entities, including the judicial system of any county, the department of corrections, and the department of human services and any of their facilities. To assure the availability of such network throughout the various state agencies, private schools, school districts, boards of cooperative educational services, libraries, and counties, the executive director of the department of personnel shall develop a uniform set of standards for facilities to be utilized by the contracting entities.

(7) The executive director of the department of personnel shall carry out all duties and responsibilities set forth in this section in a manner that is consistent with the objective of maximizing access to digital networks of the state by all public offices of all levels, branches, and political subdivisions of the state within every community of the state. In particular, within available resources and as soon as is feasible, the executive director shall provide connections proposed and approved by the department of local affairs, created in section 24-1-125, through the community-based access grant program established under section 24-32-3001 and may act as a network provider between or among all public offices as defined in said section. To the extent possible and if technically feasible, the bidding and the method of awarding the contract for telecommunications services under section 24-32-3001 should be structured in a manner as to allow the greatest number of providers to participate in the bidding and the award of the contract.

Schedule 13
Change Request for FY 08-09 Budget Request Cycle

Request Title: Decision Item FY 08-09 ☐ Base Reduction Item FY 08-09 ☐ Supplemental FY 07-08 ☒ Budget Request Amendment FY 08-09 ☐
Department: FY 2007-08 Communications Services Statewide Supplemental True-up
Priority Number: Personnel & Administration
 Statewide Supplemental #4

Dept. Approval by: *TS 2. 98*
OSP Approval: *PR 42*
Date: January 2, 2008
Date: *12/07/07*

		1	2	3	4	5	6	7	8	9	10
	Fund	Prior-Year Actual FY 06-07	Appropriation FY 07-08	Supplemental Request FY 07-08	Total Revised Request FY 07-08	Base Request FY 08-09	Decision/ Base Reduction FY 08-09	November 1 Request FY 08-09	Budget Amendment FY 08-09	Total Revised Request FY 08-09	Change from Base (Column 5) FY 09-10
Total of All Line Items	Total	0	1,149	(300)	849	899	0	899	0	899	0
	FTE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	GF	0	1,149	(300)	849	899	0	899	0	899	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	0	0	0	0	0	0	0	0	0	0
	CFE	0	0	0	0	0	0	0	0	0	0
	FF	0	0	0	0	0	0	0	0	0	0
(1) Executive Office Communications Services Payments	Total	0	1,149	(300)	849	899	0	899	0	899	0
	FTE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	GF	0	1,149	(300)	849	899	0	899	0	899	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	0	0	0	0	0	0	0	0	0	0
	CFE	0	0	0	0	0	0	0	0	0	0
	FF	0	0	0	0	0	0	0	0	0	0

Letternote revised text:

Cash Fund name/number, Federal Fund Grant name:

IT Request: ☐ Yes ☒ No

Request Affects Other Departments: ☒ Yes ☐ No

If Yes, List Other Departments Here: Departments of Agriculture, Corrections, Education, Higher Education, Human Services, Judicial, Labor & Employment, Law, Local Affairs, Military & Veterans' Affairs, Natural Resources, Personnel & Administration, Public Health & Environment, Public Safety, Revenue, and Transportation

CHANGE REQUEST for FY 2008-09

Department:	Colorado Department of Personnel & Administration
Priority Number:	Statewide Supplemental #4
Change Request Title:	FY 2007-08 Communications Services Statewide Supplemental True-up

SELECT ONE (click on box):

- ☐ Decision Item FY 08-09
- ☐ Base Reduction Item FY 08-09
- ☒ Supplemental Request FY 07-08
- ☐ Budget Request Amendment FY 08-09
- ☐ Supplemental Request FY 06-07

SELECT ONE (click on box):

Supplemental or Budget Request Amendment Criterion:

- ☐ Not a Supplemental or Budget Request Amendment
- ☐ An emergency
- ☐ A technical error which has a substantial effect on the operation of the program
- ☒ New data resulting in substantial changes in funding needs
- ☐ Unforeseen contingency such as a significant workload change

Short Summary of Request:

This is a statewide Supplemental Request impacting the Communications Services Payments line item appropriations for services as provided by the Division of Information Technology, Communications Services, and includes adjustments to recoverable program costs. The Communications Services Payments line item represents a department's share of the overhead related to the public safety communications infrastructure. The total statewide request is for a decrease of \$18,320 in appropriations for Communications Services Payments, and anticipated billings to State agencies. The adjustments included in this statewide Supplemental reflect revisions to individual agencies' allocations for this service; however, the current appropriations within the Department's Division of Information Technology Long Bill group already include the appropriate amounts as appropriated through FY 07-08 Figure Setting, and are not requested to change. The Schedule 13 submitted with this request reflects the Department of Personnel and Administration's Common Policy line item allocation change based on its percentage of statewide utilization and changes in overhead that have already been approved by the General Assembly. Please refer to the "calculations for request" later in this request for individual department needs and a summary of FY 2007-08 recoverable costs for the

program. The DPA user share of this statewide request, as reflected on the attached Schedule 13, is for a decrease of \$300 of General fund to the Executive Office, Communications Services Payments line item.

Background and Appropriation History:

The Division of Information Technology, Communications Services plans, coordinates, integrates and provides effective and efficient Statewide Public Safety networks for the Departments of Public Safety, Transportation, Corrections, Natural Resources and many other State and local government agencies. The unit also provides engineering and design services to State and local governments using land based, mobile and microwave technologies. It works in consultation with local, State, and federal government departments, institutions, and agencies governed by the Federal Communications Commission to assist in formulating current and long-range telecommunications plans involving radio, microwave, wireless data, and public-safety radio communications systems. Since the beginnings of the Digital Trunked Radio project in 1998, the State has partnered with local government to purchase, build and maintain the Digital Trunked Radio System (DTR). The development and construction of DTR is consistent with the intent and requirements stated in HB 98-1068. The primary sources of funding for this unit are user charges associated with the Communications Services Common Policy and annual transfers per Long Bill annotation from the Public Safety Trust fund.

Communications Services changed to a cost allocation billing methodology in FY 2003-04 as a result of SB 03-178. The Joint Budget Committee sponsored SB 03-178 during the 2003 legislative session to lift restrictions on the revenue the Department could collect for Communication Services Payments. This methodology establishes department appropriations based upon the total inventory of mobile, portable and DTR radios in use by departments. Departments are billed a fixed monthly fee that is equivalent to 1/12th of the appropriation.

The Department is concerned that the State could be subject to penalties if an accurate allocation methodology is not approved for Communications Services. In addition, an issue to be considered in this and future fiscal years relates to the “local government

share” of the allocated billings. Previously, the Department met with federal auditors to discuss the funding and cost allocation mechanisms for this Common Policy, especially as it relates to the local government participation. Although the auditors recognized the significant investment that local governments have made to date in the development and implementation of the Digital Trunked Radio (DTR) system, they indicated that local governments should still be billed based upon their inventory/utilization of DTR and legacy systems, similar to State agencies.

For background, since 1998, the State has approved and invested approximately \$48 million in the development and implementation of the DTR system. This statewide public safety communication system was designed to meet the requirements of H.B. 98-1068. DPA is statutorily charged (Section 24-30-908.5, C.R.S.) with the implementation, administration, and ongoing maintenance of this system for all of State and local government entities. It must be noted that the true investment in the development of the network is currently in excess of \$75 million, with the majority of the additional funding and resources above the State investment (approximately \$30 million) provided by local government entities. To date, local government has made a substantial investment in DTR that the State derives direct use of and benefit from, at no cost to the State. This includes system infrastructure, access, and use of radio communication sites and facilities. In exchange local government is allowed to utilize the benefit of DTR infrastructure purchased by the State of Colorado. To date DTR is comprised of more than 140 radio communications transmitter sites. Of these local government owns, operates and maintains at least 60 of these that the State has direct use of. Today there is no exchange of funds between State and local government, only an agreement to share common infrastructure for the benefit of all to achieve seamless interoperability between Public Safety agencies. Ultimately the State would have been forced to incur millions of dollars of additional costs if not for the willingness of local government to contribute transmitter/tower sites for the benefit of the State and DTR.

The mechanism that was implemented beginning in FY 2003-04 when Communications Services Payments became a Common Policy was to calculate the local government “share”, and to request General fund to cover the costs associated with the resulting

allocation for local governments. In FY 2003-04 and FY 2004-05 the appropriated General Fund in the Long Bill was \$369,361 annually, which exceeded the final “share” of local government in both fiscal years (associated assumptions and calculations can be provided upon request). For FY 2005-06, the Department decided to not include General Fund in the request, and instead “covered” the local government share through funding appropriated from the Public Safety Trust Fund, which originated as General Fund. This allowed the Department to continue to ensure that the local government share was addressed, without the need for State agencies to subsidize the locals. The current estimate for the local government share for the current fiscal year is reflected in the table below, along with similar estimates for previous fiscal years. The Department anticipates continuing to use the appropriations from the Public Safety Trust fund in lieu of General Fund in this manner in the current fiscal year as well, to continue to relieve General Fund pressures; however, it is likely that in FY 2008-09 and future fiscal years a General fund appropriation will be necessary to address the local government share as in the past. The benefit received by local government participants for services provided by DPA/DoIT/Communications Services over the past several years is summarized in the table below:

FY 2003-04 (final calculated allocation)	\$294,117
FY 2004-05 (final calculated allocation)	\$330,636
FY 2005-06 (final calculated allocation)	\$437,855
FY 2006-07 (final calculated allocation)	\$508,806
FY 2007-08 (based on supplemental recommendation)	\$507,510
Five-year total	\$2,078,924

General Description of Request:

The first component of this Supplemental Request proposes that the departmental allocations for Communications Services be redistributed based upon an update to the inventory/number of radios in use by departments. (Subsequent to the development of the initial FY 2007-08 departmental allocations, departments provided updated radio

inventories in the fall of 2007.) This request and the underlying methodology will make minimal adjustments to the appropriations made in the FY 2007-08 Long Bill based upon updated radio inventory. This cost allocation methodology, based on actual utilization, is similar to that used in the annual statewide supplemental true-up requests for the Purchase of Services from the Computer Center (GGCC) and for Administrative Law Judge Services (ALJ). This request seeks to realign FY 2007-08 appropriations to reflect the most current radio inventory by department.

The second component of this request involves updating the recoverable costs for the program. This is consistent with other similar Common Policy oriented supplemental true-ups (i.e. GGCC, ALJ, MNT, etc). The initial program cost estimates for the program for FY 2007-08 were calculated and approved during the figure setting process in the spring of 2007. DPA is now able to provide a much more precise and accurate projection of recoverable costs at the midpoint of FY 2007-08, and this request seeks to update the cost basis for this Common Policy appropriation to ensure that billings for the remainder of the fiscal year are sufficient to fund personal services, operating expenses, indirect costs, the program's share of central departmental appropriations and POTS, and other overhead associated with the provision of the statewide Public Safety Network for the benefit of State agency and local government entities.

A third component of the request that is discussed in the next section, and is new to the request in the current year involves incorporating a budget to actual adjustment to address potential over or under collections in the previous two fiscal years in order to be cognizant of concerns expressed by federal auditors related to the equity of the cost allocation methodology. Specific adjustments identified in the current request are as follows:

Updates to Recoverable Costs

The Department has included in this request a revision to the costs to be recovered through the historical cost allocation methodology. This is consistent with all previously submitted supplemental mid-year true-ups for Communications Services which have

always included similar updated program cost estimates. The Department is merely seeking to recover its costs, which is required by statute, and would not be possible without adding the updated cost basis to the cost allocation model.

Generally, it is necessary to adjust the program cost estimates in the true-up supplemental due to timing issues. For example, the FY 2007-08 Common Policy for this program was initially developed in July/August 2006. This was prior to the development of the Department's initial base budget estimate in late August, prior to the Department's November 1st budget submission to the JBC, and prior to the JBC figure setting process. Therefore, the Department develops the Common Policy based upon historical base budget adjustments rather than upon current fiscal year budget adjustments approved by OSPB or the JBC. This is not problematic as the Common Policy figures included in the Long Bill each year are simply initial estimates of recoverable program costs and allocations to agencies, to be updated through the annual supplemental true-up process.

The majority of the cost basis for the program as contained in this FY 2007-08 Supplemental Request is based upon the FY 2007-08 program appropriations, allocations of central appropriations, and salary POTs. Therefore, the Joint Budget Committee has already approved the majority of departmental costs. This supplemental seeks, in part, to ensure that the Department is able to recover costs equal to these approved appropriations.

Updates to Radio Inventory

The Department's annual supplemental true-ups have historically included updates to radio inventory for agencies based upon the most current inventory available at the time. This Supplemental Request includes such updates in order to ensure that supplemental allocations for agencies are based upon the most accurate inventory of legacy and DTR radio units to ensure that billings are equitable.

Budget to Actual Adjustment

The current request includes an adjustment related to the distribution of prior year over and/or under collections as referenced in the prior section. This “retroactive” adjustment for the past two fiscal years, is relatively minimal (\$59,305, which represents slightly in excess of 1% of current recoverable program costs) and is redistributed to agencies as identified in the “calculations for request”. For reference, this adjustment is in response to concerns expressed by the federal Division of Cost Allocation (DCA). The DCA is the agency that reviews cost proposals associated with indirect cost plans, or the allocation of administrative costs (i.e. cost allocation models) to determine whether they meet with federal cost principles. This review is the basis that allows the State and its associated programs to claim, and the federal government to reimburse, approved costs. A concern expressed by the DCA was to ensure that a budget to actual adjustment for this program was incorporated in the annual supplemental true-up to ensure that no federal programs were inappropriately being overcharged.

Calculations for Request:

Summary of Request FY 07-08 (Reconciles to Schedule 13)	Total Funds	General Fund	Cash Funds Exempt
Total Request [Items below total to this]	(\$300)	(\$300)	\$0
Executive Office, Communications Services Payments (DPA customer allocation)	(\$300)	(\$300)	\$0

FY 2007-08 Communications Services Recoverable Costs

FY 2007-08 Recoverable Costs	FY 07-08 Supplemental	FY 07-08 Figure Setting	Increase/Decrease
Personal Services	3,461,830	3,461,830	0
HLD	227,889	226,302	1,587
Salary Survey	105,803	100,087	5,716
Performance based Pay	44,400	42,865	1,535
STD	3,827	3,998	(171)
AED/SAED	42,684	44,595	(1,911)
Shift	0	0	0
Operating Expenses	134,631	134,631	0
Training	22,000	22,000	0
Utilities	165,002	165,002	0
Snocat Purchase	230,520	230,520	0
Local Systems	121,000	121,000	0
Indirect Costs	433,320	433,320	0
Leased Space	123,170	107,296	15,874
Capitol Complex-N Campus	7,583	8,755	(1,172)
Workers' Comp	32,051	33,251	(1,200)
Risk Mgmt	70,459	73,096	(2,637)
GGCC	21,679	0	21,679
Vehicle Lease Payments	71,883	129,205	(57,322)
Legal Services	9,585	0	9,585
Compensated Absences	41,738	0	41,738
Depreciation	7,684	0	7,684
Subtotal Recoverable Costs	5,378,738	5,337,753	40,985
Less offsetting revenue sources			
Public Safety Trust	(213,624)		
Local Govt imputed (PSTF)	(507,510)		
Medical Services	(66,151)		
NOAA	(121,000)		
TOTAL BILLINGS	4,470,453		

FY 2007-08 Recommended Communications Services Allocations by Agency

Department	Mobile	Portable	DTR	TOTAL	% of Inventory	FY 08 Subtotal
Agriculture	3	0	47	50	0.3%	14,341
Corrections	456	2,492	2,759	5,707	36.6%	1,636,910
Education	0	0	0	0	0.0%	0
Higher Education	93	101	108	302	1.9%	86,621
Human Services	21	471	61	553	3.5%	158,614
Judicial	16	9	12	37	0.2%	10,613
Labor	1	2	1	4	0.0%	1,147
Law	0	0	21	21	0.1%	6,023
Local Affairs	26	20	48	94	0.6%	26,962
Military Affairs	0	0	38	38	0.2%	10,899
Natural Resources	1,049	798	1,496	3,343	21.4%	958,856
Personnel	0	0	3	3	0.0%	860
Public Health	13	0	10	23	0.1%	6,597
Public Safety	591	29	1,511	2,131	13.7%	611,224
Revenue	35	44	136	215	1.4%	61,667
Transportation	696	375	1,994	3,065	19.7%	879,118
State Agency Subtotal	3,000	4,341	8,245	15,586	100.00%	4,470,452
County Govt	479	436	0	915	45.8%	232,651
City Govt	286	325	0	611	30.6%	155,355
Fire Protection	217	175	0	392	19.6%	99,671
Federal Government	38	11	29	78	3.9%	19,833
Local & Federal subtotal	1,020	947	29	1,996	100.00%	507,510
TOTAL STATE/LOCAL/FEDERAL	4,020	5,288	8,274	17,582		4,977,962

STATE OF COLORADO FY 08-09 Supplemental Request: Colorado Department of Personnel & Administration

Department	Retroactive Budget to Actual Adjustments		FY 08 Total	FY 08 Long Bill	Increase/Decrease
	FY 06 adjustment	FY 07 Adjusment			
Agriculture	(184)	(6)	14,151	14,358	(207)
Corrections	(21,034)	(681)	1,615,195	1,559,575	55,620
Education	0	0	0	3,446	(3,446)
Higher Education	(1,113)	(36)	85,472	85,574	(102)
Human Services	(2,038)	(66)	156,510	140,422	16,088
Judicial	(136)	(4)	10,472	10,625	(153)
Labor	(15)	(0)	1,132	861	271
Law	(77)	(3)	5,943	6,030	(87)
Local Affairs	(346)	(11)	26,604	21,824	4,780
Military Affairs	(140)	(5)	10,754	10,912	(158)
Natural Resources	(12,321)	(399)	946,136	907,718	38,418
Personnel	(11)	(0)	849	1,149	(300)
Public Health	(85)	(3)	6,509	6,605	(96)
Public Safety	(7,854)	(254)	603,116	793,140	(190,024)
Revenue	(792)	(26)	60,849	71,790	(10,941)
Transportation	(11,296)	(366)	867,456	795,438	72,018
State Agency Subtotal	(57,444)	(1,861)	4,411,147	4,429,467	(18,320)

<u>Higher Education Institution</u>	<u>Mobile/Portable</u>	<u>DTR</u>	<u>TOTAL Inventory</u>	<u>Total Allocation (\$)</u>
HISTORICAL SOCIETY	0	0	0	\$ -
UNIV OF COLO-HSC	0	0	0	\$ -
UNIV OF CO @ COLO SPRINGS	4	4	8	\$ 2,264
COLORADO ST UNIVERSITY				\$ -
CSU COOP EXTENSION SVC	0	0	0	\$ -
COLO STATE FOREST SERVICE	149	22	171	\$ 48,396
FORT LEWIS COLLEGE				\$ -
SECURITY	14	0	14	\$ 3,962
PHYSICAL PLANT	0	0	0	\$ -
ADAMS STATE COLLEGE	14	10	24	\$ 6,792
UNIV OF NORTHERN COLORADO	0	27	27	\$ 7,642
ARAPAHOE COMM COLLEGE	0	0	0	\$ -
PIKES PEAK COMM COLLEGE	0	0	0	\$ -
LAMAR COMM COLLEGE	0	2	2	\$ 566
RED ROCKS COMM COLLEGE	13	0	13	\$ 3,679
Auraria Higher Education Center Public Safety	0	43	43	\$ 12,170
TOTAL	194	108	302	\$ 85,472

Assumptions for Calculations:

This request includes current updates to radio inventory by agency, and program costs have been updated to reflect the most current estimates, allocations and appropriations associated with personnel costs, central appropriations, indirect costs, overhead and other program costs. While some components of the recoverable costs have increased and some have decreased, the net result of the request on statewide billings and appropriations is a decrease of \$18,320 over the initial level of FY 2007-08 agency appropriations/billings incorporated in the FY 2007-08 Long Bill.

In summary, these costs represent the share of these items associated with the operation of, and delivery of Communications Services to customer agencies. Recoverable costs generally include program appropriations contained in the Long Bill and other special and/or supplemental bills, salary POTs (i.e salary survey, performance pay, health life and dental, etc) associated with the program, the statewide indirect cost assessment for the program as identified in the Statewide Indirect Cost Allocation Plan (SWCAP), and other central allocations to reflect the program's share/allocation of central departmental appropriations such as leased space, capitol complex leased space, risk management payments, workers' compensation, etc. It also must be noted that many of the increases and decreases to items included in recoverable costs are related to statewide allocations that have been revised based upon other statewide supplementals that are under consideration in the current budget cycle (i.e., GGCC, MNT, Capitol Complex Leased, Workers' Compensation, Risk Management, etc.)

Impact on Other Government Agencies:

This request is a statewide common policy oriented supplemental true-up that impacts multiple agencies who are Communications Services customers. Refer to the "Calculations for Request" above for allocations by agency.

Consequences if Not Funded:

If this request is not approved and funded, there would be no FY 2007-08 realignment to State agency appropriations and billings to reflect updated radio inventory and program costs. This would inequitably result in some agencies essentially being under billed for

Communications Services, while other agencies would unfairly be burdened by being forced to pay for billings that are inconsistent with their participation in the program. In addition, this scenario would not allow the Department to recover its true costs as statutorily required, and could result in cross-subsidization and other inequitable billings/allocations, which could lead to federal audit concerns; a similar concern with federal auditors is related to the budget to actual adjustment contained in the request which actually reduces agency billings/appropriations consistent with prior negotiations.

If this request is not approved, the Department would be unable to justify that its level of billings to customers is equitable, and based on actual utilization. This alternative is not recommended, as it would leave current year appropriations at a level that was originally calculated based on outdated inventory/utilization detail, includes cost basis assumptions that are nearly a year out of date, and would ignore the concerns of federal auditors, which could result in the loss of federal participation or other penalties, which can be substantial.

Performance Measure:

At this time there is no specific performance measure directly associated with this request; however, there is a performance measure in the Department's FY 2008-09 Strategic Plan that relates generally to DTR coverage as follows:

Objective: Align all Relevant Tools in Concert with Identified Business Needs					
Performance Measure	Outcome	FY 05-06 Actual	FY 06-07 Actual	FY 07-08 Approp.	FY 08-09 Request
Increase percent of State highways covered by DTR network to 95% by 9/30/10.	Benchmark	N/A	N/A	95%	95%
	Actual	83%	90%		

Statutory and Federal Authority:

24-30-901 C.R.S. 2007 – Legislative Declaration

(1) The general assembly hereby finds and declares that:

e) An essential component of a viable telecommunications policy is the availability of a statewide, interoperable public safety radio communications system that provides instant and disruption-resistant communication capability for law enforcement agencies and other units of government that may be called upon to deal with natural disasters, health emergencies, acts of terrorism, and other threats to public health and safety.

24-30-908.5 C.R.S. 2007 – Public Safety Communications Trust Fund - creation

(1) There is hereby created in the state treasury the public safety communications trust fund, referred to in this section as the "fund". The moneys in the fund are subject to annual appropriation by the general assembly to the department of personnel for distribution as determined by rules adopted pursuant to section 24-30-903 (1) (j). The primary purpose of such distributions shall be the acquisition and maintenance of public safety communication systems for use by departments including, but not limited to, the departments of public safety, transportation, natural resources, and corrections as provided in section 24-30-903 (6) (b). Such systems shall satisfy the requirements of the public safety national plan established by the federal communications commission, also referred to in this article as the "FCC", in FCC report and order in general docket no. 87-112, and subsequent FCC proceedings and rules. This section shall not preclude the payment of maintenance expenses including the cost of leased or rented equipment, payments to local governmental entities for radio communication systems, or payments related to public safety radio systems.

Schedule 13
Change Request for FY 08-09 Budget Request Cycle

Request Title: FY 2007-08 Administrative Law Judge Services Statewide Supplemental True-up
 Department: Personnel & Administration
 Priority Number: Statewide Supplemental #5

Decision Item FY 08-09 ☐ Base Reduction Item FY 08-09 ☐ Supplemental FY 07-08 ☒ Budget Request Amendment FY 08-09 ☐

Dept. Approval by: *[Signature]* Date: January 2, 2008
 OSPB Approval: *[Signature]* Date: 12/19/07

		1	2	3	4	5	6	7	8	9	10
	Fund	Prior-Year Actual FY 06-07	Appropriation FY 07-08	Supplemental Request FY 07-08	Total Revised Request FY 07-08	Base Request FY 08-09	Decision/ Base Reduction FY 08-09	November 1 Request FY 08-09	Budget Amendment FY 08-09	Total Revised Request FY 08-09	Change from Base (Column 5) FY 09-10
Total of All Line Items	Total	582	428	1,958	2,386	2,457	0	2,457	0	2,457	0
	FTE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	GF	0	0	0	0	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	0	0	0	0	0	0	0	0	0	0
	CFE	582	428	1,958	2,386	2,457	0	2,457	0	2,457	0
	FF	0	0	0	0	0	0	0	0	0	0
(1) Executive Office Administrative Law Judge Services	Total	582	428	1,958	2,386	2,457	0	2,457	0	2,457	0
	FTE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	GF	0	0	0	0	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	0	0	0	0	0	0	0	0	0	0
	CFE	582	428	1,958	2,386	2,457	0	2,457	0	2,457	0
	FF	0	0	0	0	0	0	0	0	0	0

Letternote revised text:

Cash Fund name/number, Federal Fund Grant name: COFRS Fund 519 (Capitol Parking Fund)

IT Request: ☐ Yes ☒ No

Request Affects Other Departments: ☒ Yes ☐ No

If Yes, List Other Departments Here: Departments of Corrections, Education, Health Care Policy & Financing, Human Services, Labor & Employment, Personnel & Administration, Public Health & Environment, Regulatory Agencies, Revenue, State and Transportation

CHANGE REQUEST for FY 2008-09

Department:	Colorado Department of Personnel & Administration
Priority Number:	Statewide Supplemental #5
Change Request Title:	FY 2007-08 Administrative Law Judge Services Statewide Supplemental True-up

SELECT ONE (click on box):

- ☐ Decision Item FY 08-09
- ☐ Base Reduction Item FY 08-09
- ☒ Supplemental Request FY 07-08
- ☐ Budget Request Amendment FY 08-09
- ☐ Supplemental Request FY 06-07

SELECT ONE (click on box):

Supplemental or Budget Request Amendment Criterion:

- ☐ Not a Supplemental or Budget Request Amendment
- ☐ An emergency
- ☐ A technical error which has a substantial effect on the operation of the program
- ☒ New data resulting in substantial changes in funding needs
- ☐ Unforeseen contingency such as a significant workload change

Short Summary of Request:

This is a statewide Supplemental Request that adjusts the distribution of appropriations to all departments using Administrative Law Judge Services (ALJ), and includes any applicable updates to total recoverable program costs. The total statewide request is for a decrease of \$76,024 in appropriations for Administrative Law Judge Services, and anticipated billings as a result of updates to recoverable costs. The adjustments included in this statewide Supplemental reflect revisions to individual agencies' allocations for this service; however, the current appropriations within the Department's Administrative Courts Long Bill group already include the appropriate amounts as appropriated through FY 07-08 Figure Setting, and are not requested to change. The Schedule 13 submitted with this request reflects the Department of Personnel and Administration's Common Policy line item allocation change based on its percentage of statewide utilization and changes in overhead that have already been approved by the General Assembly.

Please refer to the "calculations for request" for individual department needs and a summary of FY 2007-08 recoverable costs for the program. The DPA customer share of

this statewide request, as reflected on the attached Schedule 13, is for an increase of \$1,958 cash funds exempt for the Executive Office, Administrative Law Judge Services line item.

Background and Appropriation History:

The Office of Administrative Courts (formerly the Division of Administrative Hearings) provides an easily accessible, independent and cost-effective administrative law adjudication system in Colorado. This Office is one of approximately two dozen central panels of independent administrative law judges in the United States. The judges are independent from the agencies for which they conduct hearings and decide cases. This Office hears and decides administrative law matters for a total of more than 50 State departments, agencies, boards and county departments. The Office of Administrative Courts serves the State's citizens from three locations; the main office in Denver, the Western Regional Office in Grand Junction, and the Southern Regional Office in Colorado Springs. The operation of regional offices allows citizens to have easier access to administrative hearings without having to travel to the Denver metro area.

The statutory charge for the Office of Administrative Courts is to provide due process hearings pursuant to state and federal laws. This Office conducts all workers' compensation merits hearings for the entire state; all public benefits cases (food stamps, Colorado Works/AFDC, Medicaid, etc.); all professional licensing board work involving the denial, revocation, suspension or other discipline of holders of a professional license (such as doctors, nurses, architects, real estate brokers, teachers, engineers, etc.); and all Secretary of State cases where a citizen has filed a complaint under the Fair Campaign Practices Act. A recently-added responsibility to this Division is to provide staff support to the new Colorado Ethics Commission established by statute to carry out the mandates of Amendment 41 regarding ethics of public officials that was passed by the electorate in November 2006.

OAC's mission is to provide those hearings and, when appropriate, mediations, in a fair, timely, and efficient manner. Requests for hearing are submitted by our customers, pursuant to governing statutes, laws, rules and regulations. The customer base includes

the public, state agencies, county departments, school districts, injured workers, and the legal community. Governing statutes, laws, rules and regulations are established by state and federal legislation, and state and federal agencies. Taken together, these factors make it difficult, if not impossible, to accurately predict in advance how many requests for hearing OAC will receive each year, and of what type. As a result, the Office has developed a funding mechanism that allows it to respond to every request for hearing, regardless of type, without relying on an accurate predictive tool or system. OAC staff tracks case processing information, but it is of little projective value – rather, it creates an historic record of workload each year. Working collaboratively with staff from the Office of State Planning & Budgeting and the Joint Budget Committee, OAC has been able to properly fund the office's program needs to the extent possible without placing an undue burden on state agencies to try and predict upcoming needs.

The Department changed to a cost allocation billing methodology for Administrative Law Judge Services in FY 2001-02. This methodology establishes department appropriations based upon historical usage patterns. Departments are charged a fixed monthly fee that is equal to 1/12th of their Administrative Law Judge Services appropriation. In each of the past several budget cycles/fiscal years the Department submitted supplemental requests to adjust departmental appropriations based upon the most recent full-year utilization data available. This was done to allow for a more current and equitable distribution of program costs to agencies utilizing ALJ services.

Note: In prior years, a footnote to the Long Bill required that an annual mid year review of the cost allocation methodology for Administrative Law Judge Services be submitted to the JBC for review no later than January 1 for statewide supplemental consideration. This footnote was eliminated from the Long Bill in recent fiscal years. However, JBC staff noted during figure setting in a prior budget cycle that while the footnote was no longer necessary, the Department and the Committee have established the necessary expectations regarding the need for an annual supplemental for this program.

Finally, as each legislative session ends, some existing state programs and statutory mandates have been ended and some new programs have begun. These types of actions

taken by the legislature have a direct impact on workload, although it is typically unclear until the end of the session when the aggregate impact of several bills can be considered whether the impact can be absorbed within existing resources, or whether additional resources will be required. Because staffing levels at OAC have not changed in several years, any workload increases driven by additional caseload and state and federal mandates may eventually require the dedication of additional state resources to this function, as it is anticipated that the workload will not lessen in the future.

General Description of Request:

This Supplemental Request updates FY 2007-08 appropriations to reflect the FY 2006-07 final utilization and updated program cost estimates. (The current FY 2008-09 Common Policy request is already based upon FY 2006-07 utilization and, during FY 2008-09, will be adjusted via another Supplemental Request based upon final FY 2007-08 utilization.) The Department has also included in this request a revision of the costs to be recovered through the historical cost allocation methodology. This is consistent with all previously submitted supplemental mid-year true-ups, which have annually included similar updated program cost estimates for the Office of Administrative Courts.

It is necessary to adjust the program cost estimates for Administrative Law Judge Services in the true-up supplemental due to timing issues. For example, the FY 2007-08 Common Policy for this program was initially developed in July/August 2006. This is prior to the development of the Department's initial base budget estimate annually in August, prior to the Department's submission of the Executive Budget Request to the JBC, and prior to the JBC figure setting process. Therefore, the Department develops the ALJ Common Policy based upon historical base budget adjustments rather than upon current fiscal year budget adjustments approved by OSPB or the JBC. This is not problematic because the Common Policy figures included in the Long Bill each year are simply initial estimates (both recoverable program costs and allocations to agencies) to be updated through the supplemental true-up process.

The cost basis for the provision of Administrative Law Judge Services as contained in this FY 2007-08 Supplemental Request is based upon the FY 2007-08 program

appropriations and program allocations from central appropriations (POTS). Therefore, the Joint Budget Committee has already approved the departmental costs. Further, the Department is not requesting adjustments to appropriations in the Office of Administrative Courts, as the appropriated spending authority, as approved by the Committee during FY 2007-08 figure setting, is sufficient at this time. The Department is merely seeking via this supplemental and the resulting updated agency allocations/billings to recover its costs, which would not be possible, nor accurate, without adding the updated cost basis to the cost allocation model. Beyond merely updating program recoverable costs, the Department also has included in this request a realignment of the utilization by agency (quantified in the context of judge and paralegal hours) that is consistent with the most currently completed fiscal year (FY 2006-07). This reflection of “actual utilization” will be combined with the updated total recoverable program costs to result in the supplemental level of ALJ allocations statewide for FY 2007-08 as identified below in the “calculations for request”.

Finally, note that the current request includes an adjustment related to the distribution of prior year over and/or under collections. This “retroactive” adjustment for the past two fiscal years, is very minimal (\$3,726 statewide), and is redistributed to agencies as identified in the “calculations for request”. For reference, this adjustment is in response to concerns expressed by the federal Division of Cost Allocation (DCA). The DCA is the agency that reviews cost proposals associated with indirect cost plans, or the allocation of administrative costs (i.e. cost allocation models) to determine whether they meet with federal cost principles. This review is the basis that allows the State and its associated programs to claim, and the federal government to reimburse, approved costs. A concern expressed by the DCA was to ensure that a budget to actual adjustment for this program was incorporated in the annual supplemental true-up to ensure that no federal programs were inappropriately being overcharged.

Calculations for Request:

Summary of Request FY 07-08 (Reconciles to Schedule 13)	Total Funds	Cash Funds Exempt
Total Request [Items below total to this]	\$ 1,958	\$1,958
Executive Office, Administrative Law Judge Services Payments	\$1,958	\$1,958

FY 2007-08 Administrative Law Judge Services Recoverable Costs

Administrative Hearings FY 2007-08 Recoverable	FY 2007-08 Supplemental	FY 2007-08 Figure Setting	Increase/ Decrease
Personal Services	3,008,208	3,008,208	0
Salary Survey and Health	261,780	271,480	(9,700)
Performance Based Pay	35,940	39,467	(3,527)
AED/SAED	34,551	39,221	(4,670)
STD	3,098	3,516	(418)
Operating Expenses	154,869	151,367	3,502
Indirect Costs	215,330	215,330	0
Subtotal	3,713,776	3,728,589	
Overhead			
Leased Space Colorado Springs	28,396	29,575	(1,179)
Leased Space - Denver	313,260	379,683	(66,423)
Capitol Complex - Grand Junction	16,370	15,079	1,291
Workers' Comp	27,174	28,188	(1,014)
Prop and Liability	59,737	61,977	(2,240)
GGCC	35,113	25,510	9,603
MNT	7,580	2,695	4,885
Legal Services	125	2,533	(2,408)
Subtotal	487,755	545,240	
TOTAL	4,201,531	4,273,829	

FY 2007-08 Recommended ALJ Allocations by Agency

Department	ALJ Hours	Paralegal Hours	Total Hours	FY 2006-07 Actual Utilization	FY 2007-08 SUBTOTAL	FY 06 & FY 07 Budget to actual adjustment	FY 2007-08 Supplemental	FY 2007-08 Long Bill	Increase/ Decrease
Corrections	31	0	31	0.11%	4,419	(4)	4,415	5,556	(1,141)
Education	287	26	313	1.06%	44,704	(40)	44,664	79,066	(34,402)
HCPF	2,626	454	3,081	10.49%	440,549	(391)	440,158	407,509	32,649
Human Services	5,036	817	5,853	19.92%	837,008	(742)	836,266	911,394	(75,128)
Labor	15,689	1,685	17,374	59.13%	2,484,569	(2,203)	2,482,366	2,484,590	(2,224)
Law			0	0.00%	0	0	0	1,282	(1,282)
Personnel	17		17	0.06%	2,388	(2)	2,386	428	1,958
Public Health	47	8	55	0.19%	7,808	(7)	7,801	0	7,801
Regulatory Agencies	1,287	321	1,607	5.47%	229,842	(204)	229,638	229,718	(80)
Revenue - Motor Vehicle Lice	37	16	52	0.18%	7,494	(7)	7,487	0	7,487
Public Safety			0	0.00%	0	0	0	0	0
Natural Resources - Wildlife			0	0.00%	0	0	0	0	0
State	486	94	580	1.97%	82,916	(74)	82,842	143,601	(60,759)
Transportation	54	5	59	0.20%	8,366	(7)	8,359	4,274	4,085
Misc. School Districts	358	2	360	1.22%	51,468	(46)	51,422	6,411	45,011
Colorado Student Loan			0	0.00%	0	0	0	0	0
TOTAL	25,954	3,426	29,380	100.00%	4,201,531	(3,726)	4,197,805	4,273,829	(76,024)

Assumptions for Calculations:

The current request includes updated utilization by agency from FY 2006-07, and program costs have been updated to reflect the most current estimates, allocations and appropriations associated with personnel costs, central appropriations, indirect costs, overhead and other program costs. While some components or the recoverable costs have increased and some have decreased, the net result is a decrease of \$72,298 over the FY 2007-08 recoverable costs incorporated in the FY 2007-08 Long Bill.

In summary, these costs represent the share of these items related to the delivery of services associated with this Common Policy through the Office of Administrative

Courts. Recoverable costs generally include program appropriations contained in the Long Bill and other special and/or supplemental bills, salary POTs (i.e salary survey, performance pay, health life and dental, etc) associated with the program, the statewide indirect cost assessment for the program as identified in the Statewide Indirect Cost Allocation Plan (SWCAP), and the Office of Administrative Court's share/allocation of central departmental appropriations such as leased space, capitol complex leased space, risk management payments, workers' compensation, etc. It also must be noted that many of the increases and decreases to items included in recoverable costs are related to statewide allocations that have been revised based upon other statewide supplementals that are under consideration in the current budget cycle (i.e., GGCC, MNT, Capitol Complex Leased, Workers' Compensation, Risk Management, etc.)

Impact on Other Government Agencies:

This request is a statewide common policy oriented supplemental true-up that impacts multiple agencies who are OAC's customers. Refer to the "Calculations for Request" above for allocations by agency.

Consequences if Not Funded:

If this request is not approved and funded, there would be no FY 2007-08 realignment to State agency appropriations and billings to reflect updated utilization and program costs. This would inequitably result in some agencies essentially being under billed for their utilization of the program, while other agencies would unfairly be burdened by being forced to pay for billings in excess of utilization. In summary, this scenario would not allow the Department to recover its costs as statutorily required, and could result in cross-subsidization and other inequitable billings/allocations, which could lead to federal audit concerns. This alternative would also ignore the opportunity to incorporate a reduction in statewide billings as a result of this request, given that the aggregate impact of the request is actually for a decrease in State agency appropriations.

This alternative is not recommended, as it would leave current year appropriations at a level that was originally calculated based on FY 2005-06 (not FY 2006-07) utilization,

includes cost basis assumptions that are nearly a year out of date, and would ignore the concerns of federal auditors, which could result in the loss of federal funding.

Cost Benefit Analysis:

The year-over-year decrease in agency allocations that is included in this request totals \$76,024, as reflected previously, which represents a moderate decrease statewide over current allocations. Although the decrease in recoverable costs and billings to agencies is minor relative to the total program cost basis, any reduction in costs to provision services at similar levels as in past fiscal years is clearly a desirable result.

Performance Measure:

The following are performance measures from the Department's FY 2008-09 Strategic Plan that are directly or indirectly associated with the delivery of Administrative Law Judge Services to customers statewide.

Objective: Maximize Workforce Quality					
Performance Measure	Outcome	FY 05-06 Actual	FY 06-07 Actual	FY 07-08 Approp.	FY 08-09 Request
Increase the average overall rating of OAC's ALJs (GPA). *	Benchmark	3.00 (B)	3.15 (B)	3.34 – 3.66 (B+)	3.67 - 3.99 (A-)
	Actual	3.12 (B)	3.08 (B)		

* This survey is administered as the result of a contract with Integrated Document Solutions on behalf of the OAC and the State Personnel Board (SPB). During FY 06-07, 2,350 people were surveyed who had appeared for a hearing before administrative law judges (ALJ's) from both divisions. The response rate was 31.9%. The questionnaires sought input from survey participants, asking them to assign letter grades to ALJ's, to facilities, and to staff, measuring such topics as judicial demeanor/neutrality, knowledge of the issues and law, treating participants with respect, giving the proceedings a sense of dignity, clarity of rulings, and giving reasons for decisions. In order to promote improved judicial performance, this benchmark is aggressively set at a level materially above prior results.

Objective: Align all Relevant Tools in Concert with Identified Business Needs					
Performance Measure	Outcome	FY 05-06 Actual	FY 06-07 Actual	FY 07-08 Approp.	FY 08-09 Request
Maintain/increase utilization of Alternative Dispute Resolution. Measure is based on the ratio of cases involving completed Alternative Dispute Resolution (ADR) that are settled.	Benchmark	N/A	N/A	> or = 86%	> or = 86%
	Actual	84%	86%		

Statutory and Federal Authority:

24-30-1001, C.R.S 2007 – Office of Administrative Courts

(1) Effective July 1, 2005, there is hereby created the office of administrative courts in the department of personnel, the head of which shall be the executive director of the department of personnel. The office of administrative courts shall exercise its powers, duties, and functions as a type 2 agency.

(2) The executive director of the department of personnel shall establish and maintain administrative offices and courts for the office of administrative courts in Denver, and in the southern region and on the western slope of the state, in addition to such other offices and courts as the executive director deems necessary to carry out the powers, duties, and functions of the office of administrative courts.

24-30-1002, C.R.S. 2007 – Appropriation of Funds

All moneys appropriated for expenditure by any state agency for administrative law judges appointed pursuant to this part 10 shall be appropriated to the department of personnel.

Schedule 13
Change Request for FY 08-09 Budget Request Cycle

Request Title: Decision Item FY 08-09 ☐ Base Reduction Item FY 08-09 ☐ Supplemental FY 07-08 ☒ Budget Request Amendment FY 08-09 ☒
 Department: Risk Management Services Funding Adjustments
 Priority Number: Personnel and Administration
 Statewide Supplemental #6, Statewide Budget Amendment #4
 Dept. Approval by: *[Signature]*
 OSPB Approval: *[Signature]*
 Date: 12/20/07
 Date: 12/21/07

		1	2	3	4	5	6	7	8	9	10
	Fund	Prior-Year Actual FY 06-07	Appropriation FY 07-08	Supplemental Request FY 07-08	Total Revised Request FY 07-08	Base Request FY 08-09	Decision/ Base Reduction FY 08-09	November 1 Request FY 08-09	Budget Amendment FY 08-09	Total Revised Request FY 08-09	Change from Base (Column 5) FY 09-10
Total of All Line Items	Total	42,705,393	48,490,446	669,424	49,159,870	54,445,690	3,144	54,448,834	(372,268)	54,076,566	(372,268)
	FTE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	GF	348,320	322,511	(102,223)	220,288	337,885	0	337,885	(1,109)	336,776	(1,109)
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	4,076,435	4,922,108	2,404,483	7,326,591	5,479,764	0	5,479,764	4,989,531	10,469,295	4,989,531
	CFE	38,280,638	43,245,827	(1,632,836)	41,612,991	48,628,041	3,144	48,631,185	(5,360,690)	43,270,495	(5,360,690)
	FF	0	0	0	0	0	0	0	0	0	0
(1) Executive Director's Office	Total	285,475	391,999	(160,997)	231,002	297,082	3,144	300,226	(7,039)	293,187	(7,039)
Workers' Compensation	FTE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	GF	73,435	100,837	(43,164)	57,673	76,421	0	76,421	(2,740)	73,681	(2,740)
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	1,579	2,168	(937)	1,231	1,643	0	1,643	(66)	1,577	(66)
	CFE	210,461	288,994	(116,896)	172,098	219,018	3,144	222,162	(4,232)	217,930	(4,232)
	FF	0	0	0	0	0	0	0	0	0	0
(1) Executive Director's Office	Total	1,068,603	861,746	(210,590)	651,156	1,016,431	0	1,016,431	37,075	1,053,506	37,075
Payment to Risk Management and Property Funds	FTE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	GF	274,885	221,674	(59,059)	162,615	261,464	0	261,464	1,632	263,096	1,632
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	5,910	4,766	(1,294)	3,472	5,623	0	5,623	(6)	5,617	(6)
	CFE	787,808	635,306	(150,237)	485,069	749,344	0	749,344	35,449	784,793	35,449
	FF	0	0	0	0	0	0	0	0	0	0
(2) Division of Human Resources	Total	4,540,332	8,345,546	910,344	9,255,890	8,589,441	0	8,589,441	387,696	8,977,137	387,696
(C) Risk Management Services, Liability Premiums	FTE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	GF	0	0	0	0	0	0	0	0	0	(0)
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	307,746	565,666	278,846	844,512	582,197	0	582,197	402,800	984,997	402,800
	CFE	4,232,586	7,779,880	631,498	8,411,378	8,007,244	0	8,007,244	(15,104)	7,992,140	(15,104)
	FF	0	0	0	0	0	0	0	0	0	0

Schedule 13
Change Request for FY 08-09 Budget Request Cycle

Request Title: Decision Item FY 08-09 ☐ Base Reduction Item FY 08-09 ☐ Supplemental FY 07-08 ☒ Budget Request Amendment FY 08-09 ☒
Department: Risk Management Services Funding Adjustments
Priority Number: Personnel and Administration
 Statewide Supplemental #6, Statewide Budget Amendment #4
Dept. Approval by:
OSPb Approval:
Date:
Date:

		1	2	3	4	5	6	7	8	9	10
	Fund	Prior-Year Actual FY 06-07	Appropriation FY 07-08	Supplemental Request FY 07-08	Total Revised Request FY 07-08	Base Request FY 08-09	Decision/ Base Reduction FY 08-09	November 1 Request FY 08-09	Budget Amendment FY 08-09	Total Revised Request FY 08-09	Change from Base (Column 5) FY 09-10
(2) Division of Human Resources											
(C) Risk Management Services, Property Premiums	Total	6,556,767	8,585,311	628,913	9,214,224	11,855,953	0	11,855,953	0	11,855,953	0
	FTE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	GF	0	0	0	0	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	502,785	658,338	2,687,996	3,346,334	909,138	0	909,138	4,653,592	5,562,730	4,653,592
	CFE	6,053,982	7,926,973	(2,059,083)	5,867,890	10,946,815	0	10,946,815	(4,653,592)	6,293,223	(4,653,592)
	FF	0	0	0	0	0	0	0	0	0	0
(2) Division of Human Resources											
(C) Risk Management Services, Workers' Compensation Premiums	Total	30,254,216	30,305,844	(498,246)	29,807,598	32,686,783	0	32,686,783	(790,000)	31,896,783	(790,000)
	FTE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	GF	0	0	0	0	0	0	0	0	0	(0)
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	3,258,415	3,691,170	(560,128)	3,131,042	3,981,163	0	3,981,163	(66,790)	3,914,373	(66,790)
	CFE	26,995,801	26,614,674	61,882	26,676,556	28,705,620	0	28,705,620	(723,210)	27,982,410	(723,210)
	FF	0	0	0	0	0	0	0	0	0	0

Letternote revised text:

Cash Fund name/number, Federal Fund Grant name: Risk Management Fund (COFRS 11L), Self-Insured Property Fund (COFRS 11P), Workers' Compensation Account (COFRS 11W).

IT Request: ☐ Yes ☒ No

Request Affects Other Departments: ☒ Yes ☐ No

If Yes, List Other Departments Here: Departments of Agriculture, Corrections, Education, Offices of the Governor, Health Care Policy & Financing, Higher Education, Human Services, Judicial, Labor & Employment, Law, Legislature, Local Affairs, Military & Veterans' Affairs, Natural Resources, Personnel & Administration, Public Health & Environment, Public Safety, Regulatory Agencies, Revenue, State, Transportation, and Treasury

CHANGE REQUEST for FY 08-09 BUDGET REQUEST CYCLE

Department:	Personnel and Administration
Priority Number:	Statewide Supplemental #6, Statewide Budget Amendment #4
Change Request Title:	Risk Management Funding Adjustments

SELECT ONE (click on box):

- ☐ Decision Item FY 08-09
- ☐ Base Reduction Item FY 08-09
- ☒ Supplemental Request FY 07-08
- ☒ Budget Request Amendment FY 08-09

SELECT ONE (click on box):

Supplemental or Budget Request Amendment Criterion:

- ☐ Not a Supplemental or Budget Request Amendment
- ☐ An emergency
- ☐ A technical error which has a substantial effect on the operation of the program
- ☒ New data resulting in substantial changes in funding needs
- ☐ Unforeseen contingency such as a significant workload change

Short Summary of Request:

This request represents a true-up of appropriations and statewide allocations for Risk Management Services (Workers' Compensation, Property and Liability programs) in the Division of Human Resources (DHR) for both FY 07-08 and FY 08-09. Across the three programs, allocations to agencies are reduced by over \$5.8 million for an estimated savings in FY 07-08 of \$2.3 million General Fund.

For the FY 07-08 supplement, appropriations are *increased* by a total of \$669,424 across all fund sources (\$102,223 General Fund *decrease*, \$2,404,483 cash funds *increase*, and \$1,632,836 cash funds exempt *decrease*). For the FY 08-09 budget amendment, appropriations are *reduced* by a total of \$372,268 (\$1,109 General Fund *decrease*, \$4,989,531 cash funds *increase*, and \$5,360,690 cash funds exempt *decrease*).

Background and Appropriation History:

This request represents the annual true-up of statewide allocations and program appropriations in Risk Management Services for both FY 07-08 and FY 08-09 based on updated information regarding claims and payments for the Liability, Property, and

Workers' Compensation programs. The analysis reflects the most current actuarial data and assumptions along with updated premium payments for each fiscal year from insurance providers.

Further, across all three programs (Workers' Compensation, Liability, and Property), through a combination of a vendor refund and unused fund reserves, allocations are reduced by over \$5.8 million, with an estimated reduction to statewide General Fund appropriations of approximately \$2.3 million.

General Description of Request:

The Department's analysis indicates that adjustments to statewide allocations are necessary for both FY 07-08 and FY 08-09 in the Risk Management programs (Workers' Compensation, Property and Liability programs). This request represents a true-up of annual appropriations for Risk Management Services for both fiscal years. Across the three programs, allocations to agencies are reduced by over \$5.8 million using a combination of a \$1.31 million refund to the Workers' Compensation Account and unused fund reserves, for an estimated savings in FY 07-08 of \$2.3 million General Fund.

For the FY 07-08 supplement, appropriations are *increased* by a total of \$669,424 across all fund sources (\$102,223 General Fund *decrease*, \$2,404,483 cash funds *increase*, and \$1,632,836 cash funds exempt *decrease*). For the FY 08-09 budget amendment, appropriations are *reduced* by a total of \$372,268 (\$1,109 General Fund *decrease*, \$4,989,531 cash funds *increase*, and \$5,360,690 cash funds exempt *decrease*).

Consequences if Not Funded:

If the supplemental and budget amendment are not funded as requested, the State will lose the following benefits:

- \$2.3 million estimated reduction (i.e., savings) of General Fund appropriations for Risk Management program services (\$5.8 million total reduction to appropriations across all fund sources) in FY 07-08, including \$102,223 General Fund from DPA.
- Correctly allocated cost shares across the Workers' Compensation, Liability and

Property programs to reflect the best possible information at this time, causing some agencies to overpay and some to underpay for the services they receive from Risk Management Services.

Calculations for Request:

This section provides specific information related to calculations for this request, including fiscal year appropriation summaries, allocations, fund reserve levels, and estimated General Fund impacts.

- a. The following tables represent summaries of appropriation adjustments for this request for both fiscal years.

Summary of Request FY 07-08	Total Funds	General Fund	Cash Funds	Cash Funds Exempt
Total Request	\$669,424	(\$102,223)	\$2,404,483	(\$1,632,836)
(1) Executive Director's Office, Workers' Compensation	(\$160,997)	(\$43,164)	(\$937)	(\$116,896)
(1) Executive Director's Office, Payment to Risk Management and Property Funds	(\$210,590)	(\$59,059)	(\$1,294)	(\$150,237)
(2) Division of Human Resources, (C) Risk Management Services, Liability Premiums	\$910,344	\$0	\$278,846	\$631,498
(2) Division of Human Resources, (C) Risk Management Services, Property Premiums	\$628,913	\$0	\$2,687,996	(\$2,059,083)
(2) Division of Human Resources, (C) Risk Management Services, Workers' Compensation Premiums	(\$498,246)	\$0	(\$560,128)	\$61,882

Summary of Request FY 08-09	Total Funds	General Fund	Cash Funds	Cash Funds Exempt
Total Request	(\$372,268)	(\$1,109)	\$4,989,531	(\$5,360,690)
(1) Executive Director's Office, Workers' Compensation	(\$7,039)	(\$2,740)	(\$66)	(\$4,232)
(1) Executive Director's Office, Payment to Risk Management and Property Funds	\$37,075	\$1,632	(\$6)	\$35,449

Summary of Request FY 08-09	Total Funds	General Fund	Cash Funds	Cash Funds Exempt
(2) Division of Human Resources, (C) Risk Management Services, Liability Premiums	\$387,696	\$0	\$402,800	(\$15,104)
(2) Division of Human Resources, (C) Risk Management Services, Property Premiums	\$0	\$0	\$4,653,592	(\$4,653,592)
(2) Division of Human Resources, (C) Risk Management Services, Workers' Compensation Premiums	(\$790,000)	\$0	(\$66,790)	(\$723,210)

- b. The following appendices contain tables with detailed calculations for program costs and agency allocations:

Appendix A: FY 07-08 Common Policy Worksheet for Risk Management Programs

Appendix B: FY 08-09 Common Policy Worksheet for Risk Management Programs

- c. The following table contains detail for the reserves requirement for each fiscal year and the adjustments to allocations necessary to stabilize fund reserves to reach these levels.

	Workers' Compensation		Liability		Property	
Reserve %	5.0%		16.5%		16.5%	
Fiscal Year	FY 07-08	FY 08-09	FY 07-08	FY 08-09	FY 07-08	FY 08-09
Expenditure Basis	\$29,807,598	\$31,896,783	\$11,550,766	\$11,272,013	\$9,405,994	\$12,086,582
Reserve Requirement	\$1,490,380	\$1,594,839	\$1,905,876	\$1,859,882	\$1,551,989	\$1,994,286
Prior Year Fund Balance	\$4,782,011	\$1,490,380	\$3,874,644	\$1,905,876	\$3,372,775	\$1,551,989
Refund from Pinnacol	\$1,308,690	\$0	\$0	\$0	\$0	\$0
Reserve Stabilization Funding	(\$4,600,321)	\$104,459	(\$1,968,768)	(\$45,994)	(\$1,820,786)	\$442,297

- d. The following table calculates estimated General Fund savings for both fiscal years as a result of this request.

	FY 07-08	FY 08-09
Original Allocations*	\$49,605,535	\$57,107,264
Revised Allocations	\$43,804,340	\$57,096,091
Difference	(\$5,801,195)	(\$11,173)
Estimated General Fund Savings (calculated as 40% of the total difference)	(\$2,320,478)	(\$4,469)

Assumptions for Calculations:

Following are assumptions used to develop costs and allocations for this request.

- a. For base program expenses for both Risk Management and C-SEAP, appropriation amounts from SB07-239 and the FY 08-09 Executive Budget Request are used for FY 07-08 and FY 08-09, respectively. Allocations from central appropriations reported in the FY 08-09 Schedule 8 are also used.
- b. In all cases possible, actual payments and/or vendor estimates are utilized for premium costs, broker services, third party administrator (TPA) fees, and deductible levels. These are noted as such in Appendix A and Appendix B of this request.
- c. Reserve funding levels for the program funds for both fiscal years were calculated as follows:
 - Workers' Compensation Account (COFRS 11L): 5% of the premium line item appropriation.
 - Risk Management Fund ('Liability', COFRS 11L): 16.5% of the sum of the premium and legal services line items, due to the statutory continuous appropriation of this fund and the need to statutorily increase the legal services appropriation for the past five fiscal years, per below:

* FY 07-08 total Risk Management Services allocations per the Joint Budget Committee staff's "FY 2007-08 Figure Setting: Common Policies" document (March 15, 2007) and FY 08-09 total allocations per the FY 08-09 Executive Budget Request, distributed by the OSPB to agencies on August 15, 2007.

	FY02-03	FY03-04	FY04-05	FY05-06	FY06-07
Legal Services Expense	\$2,187,342	\$2,036,877	\$2,167,843	\$2,459,639	\$2,415,921
<i>less</i> Appropriation	\$1,905,228	\$1,936,770	\$1,961,620	\$2,053,377	\$2,159,152
<i>equals</i> Statutory Addition	\$282,114	\$100,107	\$206,223	\$406,262	\$256,769
Statutory Increase	14.8%	5.2%	10.5%	19.8%	11.9%

- Self-Insured Property Fund ('Property', COFRS 11P): 16.5% of fiscal year expenditures per Section 24-75-402, C.R.S. (2007), and subject to the State Controller's Office annual report per 24-30-207, C.R.S. (2007). During FY 05-06, the program required a \$1.0 million loan from the State Treasury because the reserve level was set below 16.5%. This loan was repaid in FY 06-07.
- d. The State retained Towers Perrin for actuarial services to determine estimated aggregate fiscal year payouts and specific agency cost allocations (percent share of program costs) for the Liability and Workers' Compensation programs. These are the estimates utilized for this change request.
- e. Cost allocations for the Property program are developed by assigning agency-specific cost shares relative to agency-reported values of buildings and contents. In other words, program costs for premiums, deductibles, and overhead are assigned to agencies in proportion to the total value insured for each agency. Flood Zone 'A' premiums are applied in addition to the cost shares and assigned to the relevant agencies.
- f. To estimate the General Fund impact for this request, the fund source proportions of agency submissions for FY 07-08 Risk Management Program allocations are used as reported in the Joint Budget Committee's "FY 2007-08 Figure Setting: Common Policies" document (March 15, 2007). General Fund represented 40% of the allocations as submitted by agencies.

Impact on Other Government Agencies: The following appendices contain tables with agency allocations for the Risk Management Services and detail of the Flood Zone 'A' premiums by agency and location.

Appendix C: FY 07-08 Allocations to State Agencies

Appendix D: FY 08-09 Allocations to State Agencies

Appendix E: Flood Zone 'A' Policies in Force as of August 1, 2007

Cost Benefit Analysis: The request results in allocation reductions for both fiscal years, but the greatest return is realized in FY 07-08. Although appropriations are increased overall by \$0.7 million, allocation reductions of \$5.8 million are requested due to the benefit of existing fund reserves and the Pinnacol refund. The benefit to cost ratio is \$5,801,195/\$669,424, or 8.67. Represented in this benefit is savings to the State of approximately \$2.3 million General Fund.

Implementation Schedule: Effective upon passage of the supplemental bill for FY 07-08 and long bill for FY 08-09.

Statutory and Federal Authority: Risk Management Services: Section 24-30-1501, C.R.S. (2007).
C-SEAP: Section 24-50-604, C.R.S. (2007).
C-SEAP funding: Section 24-50-604 (1)(k)(IV) C.R.S. (2007).

Performance Measure(s):

Objective: Improve Business Processes/Align all Relevant Tools in Concert with Identified Business Needs					
Performance Measure	Outcome	FY 05-06 Actual	FY 06-07 Actual	FY 07-08 Approp.	FY 08-09 Request
Measure the impact of a tailored workers' compensation pilot loss control program on five agencies (Judicial, Transportation, Corrections, Human Services & Public Safety).	Benchmark	NA	NA	2.5% decrease in # of claims and claims payments	5% decrease in # of claims and claims payments
	Actual	2,542, \$17,540,451 paid on claims	2,749 claims, \$18,773,701 paid on claims	- - -	- - -

Appendix A: FY 07-08 Common Policy Worksheet for Risk Management Programs

FY 07-08 Program Overhead	Total	Liability	Property	Workers' Comp
Overhead Allocation %	100.0%	19.2%	19.1%	61.7%
Personal Services	\$605,973	\$116,178	\$115,655	\$374,140
Pots Allocations				
Health, Life and Dental	\$54,998	\$10,544	\$10,497	\$33,957
Short-term Disability	\$778	\$149	\$148	\$480
Salary Survey	\$20,149	\$3,863	\$3,846	\$12,440
Performance-based Pay	\$9,026	\$1,730	\$1,723	\$5,573
Amortization Equalization Disbursement (AED)	\$7,181	\$1,377	\$1,371	\$4,434
Supplemental AED	\$1,496	\$287	\$286	\$924
Pots Allocations Subtotal	\$93,628	\$17,951	\$17,870	\$57,808
Operating Expenses	\$57,104	\$10,948	\$10,899	\$35,257
Operating Common Policies				
Workers' Comp	\$6,506	\$1,247	\$1,242	\$4,017
Payment to Risk Mgt/Property Funds	\$14,302	\$2,742	\$2,730	\$8,830
Leased Space	\$1,620	\$311	\$309	\$1,000
Capitol Complex Leased Space	\$25,442	\$4,878	\$4,856	\$15,708
Operating Common Policies Subtotal	\$47,870	\$9,178	\$9,136	\$29,556
Audit Expense	\$63,120	\$12,101	\$12,047	\$38,972
Indirect Costs	\$137,080	\$26,281	\$26,163	\$84,636
Total Program Overhead	\$1,004,775	\$192,637	\$191,770	\$620,368

FY 07-08 Liability Program Costs	Total	Notes
Program Overhead Expenses	\$192,637	Calculated as 19.2% of the total
Premium Line Expenses		
Prospective Losses Estimate	\$8,577,988	Actuarial Report (7/13/2007)
Excess Auto	\$484,595	Actual
Crime Policy	\$107,234	Actual
Actuarial Services	\$32,500	Vendor Estimate
Broker Service Fees	\$8,573	Vendor Estimate
RMIS Service Fees	\$45,000	Vendor Estimate
Premium Line Expenses subtotal	\$9,255,890	
Legal Services	\$2,294,876	Per FY08 Long Bill as an estimate
Reserve Stabilization	(\$1,968,768)	Maintains 16.5% Fund Reserve Balance
Total Liability Allocations	\$9,774,636	Agency billings equal allocated assessments

Appendix A: FY 07-08 Common Policy Worksheet for Risk Management Programs

FY 07-08 Property Program Costs	Total	Notes
Program Overhead Expenses	\$191,770	Calculated as 19.1% of the total
Premium Line Expenses		
Property & Boiler Policies	\$3,644,329	Actual
Terrorism Premium	\$358,846	Actual
Flood Zone A Premiums	\$179,417	Vendor Estimate
Property Consulting Fee	\$258,059	Actual
Broker Service Fees	\$223,813	Vendor Estimate
RMIS Service Fees	\$45,000	Vendor Estimate
Policy Deductibles and Residuals	\$4,504,761	Prorated for higher deductible
Premium Line Expenses subtotal	\$9,214,224	
Reserve Stabilization	(\$1,820,786)	Maintains 16.5% Fund Reserve Balance
Total Property Allocations	\$7,585,209	Agency billings equal allocated assessments

FY 07-08 Workers' Compensation Costs	Total	Notes
Program Overhead Expenses	\$620,368	Calculated as 61.7% of the total
Premium Line Expenses		
Prospective Claims Payout	\$25,961,990	Actuarial Report (7/13/2007)
TPA Fees	\$1,890,000	Vendor Estimate
DHS Prior Year Claim Payments	\$144,373	FY 06-07 Actual
Excess Policy	\$327,792	Actual
Litigation Costs	\$500,000	Program Estimate based on Prior Pinnacol Costs
CDLE Permit	\$2,000	Estimate
CDLE Surcharge	\$890,000	Estimate
Actuarial Services	\$32,500	Vendor Estimate
RMIS Service Fees	\$45,000	Vendor Estimate
Broker Service Fees	\$13,943	Vendor Estimate
Premium Line Expenses subtotal	\$29,807,598	
C-SEAP Funding	\$616,851	See table, below (Base, Pots, Common Policies)
Reserve Stabilization	(\$4,600,321)	Maintains 5% Fund Reserve Balance
Total Workers' Compensation Allocations	\$26,444,496	Agency billings equal allocated assessments

FY 07-08 Risk Fund Allocations for Program Overhead

Premium Line Item	Request	Percent Allocation
Liability	9,255,890	19.2%
Property	9,214,224	19.1%
Workers' Compensation	29,807,598	61.7%
Total	\$48,277,712	100.0%

Appendix A: FY 07-08 Common Policy Worksheet for Risk Management Programs

Calculation of FY 07-08 CSEAP Funding Request	
Personal Services	\$298,474
Pots Allocations	
Health, Life and Dental	\$15,908
Short-term Disability	\$508
Salary Survey	\$13,940
Performance-based Pay	\$5,898
Amortization Equalization Disbursement (AED)	\$4,692
Supplemental AED	\$978
Pots Allocations Subtotal	\$41,924
Operating Expenses	\$37,233
Operating Common Policies	
Workers' Comp	\$2,461
Payment to Risk Mgt/Property Funds	\$8,435
Leased Space	\$66,029
Operating Common Policies Subtotal	\$76,925
Indirect Costs	\$162,295
Total	\$616,851

Appendix B: FY 08-09 Common Policy Worksheet for Risk Management Programs

FY 08-09 Program Overhead	Total	Liability	Property	Workers' Comp
Overhead Allocation %	100.0%	17.0%	22.5%	60.5%
Personal Services	\$634,839	\$108,080	\$142,739	\$384,020
Pots Allocations				
Health, Life and Dental	\$43,203	\$7,355	\$9,714	\$26,134
Short-term Disability	\$615	\$105	\$138	\$372
Salary Survey	\$18,883	\$3,215	\$4,246	\$11,422
Performance-based Pay	\$7,294	\$1,242	\$1,640	\$4,412
Amortization Equalization Disbursement (AED)	\$7,574	\$1,289	\$1,703	\$4,582
Supplemental AED	\$2,121	\$361	\$477	\$1,283
Pots Allocations Subtotal	\$79,690	\$13,567	\$17,918	\$48,205
Operating Expenses	\$57,104	\$9,722	\$12,839	\$34,543
Operating Common Policies				
Workers' Comp	\$4,923	\$838	\$1,107	\$2,978
Payment to Risk Mgt/Property Funds	\$16,870	\$2,872	\$3,793	\$10,205
Leased Space	\$1,620			
Capitol Complex Leased Space	\$25,449	\$4,333	\$5,722	\$15,394
Operating Common Policies Subtotal	\$48,862	\$8,319	\$10,986	\$29,557
Audit Expense (next in FY08)	\$0	\$0	\$0	\$0
Indirect Costs	\$205,237	\$34,941	\$46,146	\$124,150
Total Program Overhead	\$1,025,732	\$174,628	\$230,629	\$620,475

FY 08-09 Liability Program Costs	Total	Notes
Program Overhead Expenses	\$174,628	Calculated as 17.0% of the total
Premium Line Expenses		
Prospective Losses Estimate	\$8,299,235	Actuarial Report (7/13/2007)
Excess Auto	\$484,595	FY08 Actual as Estimate
Crime Policy	\$107,234	FY08 Actual as Estimate
Actuarial Services	\$32,500	Vendor Estimate
Broker Service Fees	\$8,573	Vendor Estimate
RMIS Service Fees	\$45,000	Vendor Estimate
Premium Line Expenses subtotal	\$8,977,137	
Legal Services	\$2,294,876	Per FY08 Long Bill as an estimate
Reserve Stabilization	(\$45,994)	Maintains 16.5% Fund Reserve Balance
Total Liability Allocations	\$11,400,647	Agency billings equal allocated assessments

Appendix B: FY 08-09 Common Policy Worksheet for Risk Management Programs

FY 08-09 Property Program Costs	Total	Notes
Program Overhead Expenses	\$230,629	Calculated as 22.5% of the total
Premium Line Expenses		
Property & Boiler Policies	\$4,406,873	Vendor Estimate
Terrorism Premium	\$704,263	Vendor Estimate
Flood Zone A Premiums	\$179,417	Vendor Estimate
Broker Service Fees	\$223,813	Vendor Estimate
RMIS Service Fees	\$45,000	Vendor Estimate
Policy Deductibles and Residuals	\$6,296,587	Prorated for higher deductible
Premium Line Expenses subtotal	\$11,855,953	
Reserve Stabilization	\$442,297	Maintains 16.5% Fund Reserve per SB98-194
Total Property Allocations	\$12,528,879	Agency billings equal allocated assessments

FY 08-09 Workers' Compensation Costs	Total	Notes
Program Overhead Expenses	\$620,475	Calculated as 60.5% of the total
Premium Line Expenses		
Prospective Claims Payout	\$28,576,989	Actuarial Report (7/13/2007)
TPA Fees	\$1,100,000	Vendor Estimate
DHS Prior Year Claim Payments	\$144,373	Estimate based on FY07 Actual
Excess Policy	\$331,978	Vendor Estimate
Loss Control Incentives	\$50,000	Program Estimate
Litigation Costs	\$500,000	Program Estimate based on Prior Pinnacol Costs
CDLE Permit	\$2,000	Estimate
CDLE Surcharge	\$1,100,000	Estimate
Actuarial Services	\$32,500	Vendor Estimate
RMIS Service Fees	\$45,000	Vendor Estimate
Broker Service Fees	\$13,943	Vendor Estimate
Premium Line Expenses subtotal	\$31,896,783	
C-SEAP Funding	\$544,848	See table, below (Base, Pots, Common Policies)
Reserve Stabilization	\$104,459	Maintains 5% Fund Reserve Balance
Total Workers' Compensation Allocations	\$33,166,565	Agency billings equal allocated assessments

FY 08-09 Risk Fund Allocations for Program Overhead

Premium Line Item	Request	Percent Allocation
Liability	\$8,977,137	17.0%
Property	\$11,855,953	22.5%
Workers' Compensation	\$31,896,783	60.5%
Total	\$52,729,873	100.0%

Appendix B: FY 08-09 Common Policy Worksheet for Risk Management Programs

Calculation of FY 08-09 CSEAP Funding Request	
Personal Services	\$318,110
Pots Allocations	
Health, Life and Dental	\$25,806
Short-term Disability	\$392
Salary Survey	\$11,785
Performance-based Pay	\$4,641
Amortization Equalization Disbursement (AED)	\$4,819
Supplemental AED	\$1,349
Pots Allocations Subtotal	\$48,792
Operating Expenses	\$37,233
Operating Common Policies	
Workers' Comp	\$2,461
Payment to Risk Mgt/Property Funds	\$8,435
Leased Space	\$66,029
Operating Common Policies Subtotal	\$76,925
Indirect Costs	\$63,788
Total	\$544,848

Appendix C: FY 07-08 Allocations to State Agencies

		Revised Allocation Total - FY 07-08			
Department/Agency	Code	Liability	Property	Property & Liability	Workers' Comp
Agriculture	AG	68,419	75,794	144,213	181,027
Corrections	CO	3,485,059	1,015,573	4,500,632	4,761,618
Education	ED	5,083	86,083	91,166	199,744
Office of Governor	EX	101,260	1,502	102,762	9,525
Personnel & Administration	GS	54,736	596,421	651,156	231,002
Healthcare Policy & Finance	HC	63,105	632	63,737	25,553
Higher Education	HE	844,512	3,346,334	4,190,846	3,119,350
Transportation	HI	2,193,497	1,151,637	3,345,135	5,123,322
Human Services	HS	878,309	534,959	1,413,268	6,814,241
Judicial	JD	247,566	42,667	290,233	1,636,768
Labor & Employment	LA	60,210	38,708	98,917	599,681
Legislature	LE	7,624	4,700	12,323	30,858
Local Affairs	LO	9,579	4,898	14,477	26,911
Law	LW	71,032	4,317	75,349	51,791
Military Affairs	MA	25,413	85,729	111,142	62,064
Natural Resources	NR	552,296	397,672	949,967	942,641
Public Health	PH	73,221	52,345	125,566	215,824
Public Safety	PS	770,053	84,750	854,803	1,744,672
Regulatory Agencies	RG	66,451	7,307	73,758	82,435
Revenue	RV	182,567	47,611	230,177	579,727
Secretary of State	ST	13,683	5,415	19,098	4,899
Treasury	TR	961	156	1,117	842
Totals		9,774,636	7,585,209	17,359,844	26,444,496

		Revised Allocation Total - FY 07-08			
Higher Ed Agencies	Code	Liability	Property	Property & Liability	Workers' Comp
Arapahoe Community College	AR	59,977	106,321	166,298	130,552
Adams State College	AS	46,497	211,378	257,875	163,686
Auraria Higher Educ. Center	AU	71,298	437,351	508,648	348,796
Community College of Aurora	CA	11,957	15,356	27,314	36,753
Community College of Denver	CD	4,340	11,248	15,588	90,499
Fort Lewis College	FL	14,742	268,899	283,641	132,526
Front Range Community College	FR	20,022	150,679	170,701	179,273
College Access Network (GSL)	GL	99,791	12,919	112,709	33,100
CCHE	HE	961	487	1,448	4,658
Historical Society	HS	4,299	27,102	31,401	13,110
Lamar Community College	LA	961	41,699	42,660	10,877
Metropolitan State College	ME	237,291	16,703	253,994	98,850
Colo School of Mines	MI	75,336	610,817	686,153	205,419
Morgan Community College	MO	961	27,842	28,803	43,522
Mesa College	MS	19,334	276,264	295,598	282,784
Northeastern Junior College	NE	1,302	73,115	74,417	2,945
Northwestern Junior College	NW	1,087	48,064	49,151	3,003
CollegeInvest	OB	961	634	1,595	3,078
CCCOES/Heat	OE	3,592	118,650	122,243	38,731
Otero Junior College	OT	1,143	68,225	69,367	84,636

		Revised Allocation Total - FY 07-08			
Higher Ed Agencies	Code	Liability	Property	Property & Liability	Workers' Comp
Pikes Peak Comm. College	PP	31,306	139,199	170,505	547,628
Pueblo Community College	PV	8,106	98,946	107,052	258,993
Red Rocks Community College	RR	7,419	80,366	87,785	68,588
CSU-Pueblo	SC	102,811	164,546	267,357	171,442
Trinidad State Jr. College	TR	3,206	97,158	100,364	83,546
Western State College	WS	15,815	242,367	258,181	82,352
Totals		844,512	3,346,334	4,190,846	3,119,350

Appendix D: FY 08-09 Allocations to State Agencies

		Revised Allocation Total - FY 08-09			
Department/Agency	Code	Liability	Property	Property & Liability	Workers' Comp
Agriculture	AG	79,801	126,389	206,190	227,296
Corrections	CO	4,064,799	1,693,510	5,758,309	5,978,644
Education	ED	5,929	143,547	149,476	250,796
Office of Governor	EX	118,105	2,505	120,609	11,959
Personnel & Administration	GS	63,841	989,665	1,053,506	290,043
Healthcare Policy & Finance	HC	73,603	1,053	74,656	32,084
Higher Education	HE	984,997	5,562,730	6,547,727	3,916,627
Transportation	HI	2,558,386	1,886,403	4,444,788	6,432,796
Human Services	HS	1,024,416	892,066	1,916,482	8,518,998
Judicial	JD	288,748	71,150	359,898	2,055,111
Labor & Employment	LA	70,225	64,547	134,772	752,954
Legislature	LE	8,892	7,837	16,729	38,746
Local Affairs	LO	11,172	8,168	19,340	33,789
Law	LW	82,848	7,199	90,047	65,029
Military Affairs	MA	29,640	142,595	172,235	77,927
Natural Resources	NR	644,170	615,369	1,259,539	1,183,572
Public Health	PH	85,401	82,679	168,080	270,987
Public Safety	PS	898,152	133,287	1,031,439	2,190,594
Regulatory Agencies	RG	77,505	12,184	89,690	103,505
Revenue	RV	212,937	76,707	289,644	727,900
Secretary of State	ST	15,959	9,029	24,988	6,151
Treasury	TR	1,121	261	1,382	1,057
Totals		11,400,647	12,528,879	23,929,526	33,166,565

		Revised Allocation Total - FY 08-09			
Higher Ed Agencies	Code	Liability	Property	Property & Liability	Workers' Comp
Arapahoe Community College	AR	69,954	176,680	246,634	163,920
Adams State College	AS	54,232	352,482	406,714	205,523
Auraria Higher Educ. Center	AU	83,158	716,348	799,506	437,945
Community College of Aurora	CA	13,946	25,607	39,554	46,147
Community College of Denver	CD	5,062	18,756	23,818	113,629
Fort Lewis College	FL	17,195	448,399	465,594	166,399
Front Range Community College	FR	23,353	251,263	274,616	225,093
College Access Network (GSL)	GL	116,391	21,542	137,933	41,560
CCHE	HE	1,120	813	1,933	5,849
Historical Society	HS	5,014	45,193	50,207	16,461
Lamar Community College	LA	1,120	69,535	70,656	13,657
Metropolitan State College	ME	276,765	27,852	304,617	124,116
Colo School of Mines	MI	87,868	1,018,563	1,106,430	257,923
Morgan Community College	MO	1,120	46,428	47,548	54,646
Mesa College	MS	22,550	460,681	483,232	355,061
Northeastern Junior College	NE	1,519	121,922	123,441	3,698
Northwestern Junior College	NW	1,267	76,296	77,564	3,770
CollegeInvest	OB	1,120	1,058	2,178	3,865
CCCOES/Heat	OE	4,190	197,854	202,044	48,631
Otero Junior College	OT	1,333	113,767	115,100	106,269

		Revised Allocation Total - FY 08-09			
Higher Ed Agencies	Code	Liability	Property	Property & Liability	Workers' Comp
Pikes Peak Comm. College	PP	36,514	232,120	268,634	687,596
Pueblo Community College	PV	9,454	164,997	174,451	325,190
Red Rocks Community College	RR	8,653	134,014	142,666	86,119
CSU-Pueblo	SC	119,914	274,387	394,301	215,261
Trinidad State Jr. College	TR	3,739	162,015	165,754	104,900
Western State College	WS	18,446	404,156	422,602	103,401
Totals		984,997	5,562,730	6,547,727	3,916,627

Flood Policies in Force as of 8/1/07							
Policy Number	Risk Location Code	Property Address	City	State	Agency	Agency Code	Premium
1011167947	PHCC2658	3174 E. 78th Avenue	Thornton	CO	CDPHE	DHPE	2,997
1011111357	PHAP2674	2450 W. 2nd Avenue	Denver	CO	CDPHE	DHPE	3,907
1011111354	GSIT1904	13360 W I-76 Frontage Road, #3	Ft. Morgan	CO	DPA	GSIT	1,467
1011111352	GSIT1850	2452 W. 2nd Avenue	Denver	CO	DPA	GSIT	4,106
1011111353	GSIT1852	2452 W. 2nd Ave., Bldg. 2	Denver	CO	DPA	GSIT	1,754
1011111350	HEAR6133	3784 S. Logan Street	Englewood	CO	HE/Arapahoe	HEAR	921
1011167950	HEAU4469	1201 5th Street	Denver	CO	HE/Auraria	HEAU	1,317
1011111321	HEAU1213	1200 7th Street	Denver	CO	HE/Auraria	HEAU	7,434
1011111322	HEAU6009	1224-1230 5th Street	Denver	CO	HE/Auraria	HEAU	6,602
1011111323	HEAU6230	1144 5th Street	Denver	CO	HE/Auraria	HEAU	2,717
1011111324	HEAU8172	1200 7th Street, Bldg. 2	Denver	CO	HE/Auraria	HEAU	691
1011111326	HEAU1237	755 Walnut Street	Denver	CO	HE/Auraria	HEAU	641
1011111327	HENW7742	2248 E. Main Street, Bldg. 2	Rangely	CO	HE/Northwestern	HENW	3,289
1011111328	HENW7744	2248 E. Main Street, Bldg. 3	Rangely	CO	HE/Northwestern	HENW	2,483
1011167949	HIDH3215	450 B Street	Limon	CO	CDOT	HIDH	1,790
1011167953	HIDH2958	5701 N. Federal Blvd.	Westminster	CO	CDOT	HIDH	2,223
1011169571	HIDH3111	360 S. 7th Street	Rifle	CO	CDOT	HIDH	1,776
1011167954	HIDH2145	2300 W. 11th Ave.	Denver	CO	CDOT	HIDH	1,652
1011111293	HIDH3216	450 B Street	Limon	CO	CDOT	HIDH	1,207
1011111295	HIDH2152	950 Erie Avenue, Bldg. 1	Pueblo	CO	CDOT	HIDH	8,154
1011111296	HIDH2153	950 Erie Avenue, Bldg. 2	Pueblo	CO	CDOT	HIDH	803
1011111302	HIDH3015	3335 SH 92	Hotchkiss	CO	CDOT	HIDH	1,287
1011111303	HIDH3016	1517 SH 187, Bldg.1	Paonia	CO	CDOT	HIDH	983
1011111304	HIDH3102	202 Centennial Street, Bldg. 1	Glenwood	CO	CDOT	HIDH	3,882
1011111305	HIDH3419	43543 US HWY 13	Meeker	CO	CDOT	HIDH	2,188
1011111307	HIDH3428	15551 SR 145	Telluride	CO	CDOT	HIDH	1,728
1011111308	HIDH2953	139 W. Walnut Street	Brighton	CO	CDOT	HIDH	471
1011111309	HIDH2796	1226 Alaska Avenue	Longmont	CO	CDOT	HIDH	988
1011111310	HIDH3949	29340 Highway 34	Brush	CO	CDOT	HIDH	1,228
1011111311	HIDH2804	29340 Highway 34, Bldg. 2	Brush	CO	CDOT	HIDH	1,092
1011111313	HIDH2816	29340 Highway 34, Bldg. 3	Brush	CO	CDOT	HIDH	2,813
1011111314	HIDH2957	5701 Federal Blvd., Bldg. 1	Westminster	CO	CDOT	HIDH	2,670
1011111316	HIDH3056	20581 Highway 160, Bldg. 1	Durango	CO	CDOT	HIDH	2,800
1011111317	HIDH3057	20581 Highway 160, Bldg. 2	Durango	CO	CDOT	HIDH	1,431
1011111318	HIDH3058	20581 Highway 160, Bldg. 3	Durango	CO	CDOT	HIDH	3,276
1011111319	HIDH3059	20581 Highway 160, Bldg. 4	Durango	CO	CDOT	HIDH	1,508
1011111320	HIDH3105	202 Centennial Street, Bldg. 4	Glenwood	CO	CDOT	HIDH	3,867
1011111349	PSPA1442	30200 US Hwy 40	Steamboat Springs	CO	CDOT	HIDH	1,116
1011169572	MANG4885	5275 Franklin Street	Denver	CO	DMVA	MAVA	543
1011167946	NRWI1631	1424 NE Frontage Road/I25	Ft. Collins	CO	DNR	NRWI	642
1011167948	NRWI1634	1424 NE Frontage Road/I25	Ft. Collins	CO	DNR	NRWI	752
1011167951	NRWI0943	122 Edison Street	Brush	CO	DNR	NRWI	1,926
1011111329	NRWI1586	4160 W. 56th Way	Denver	CO	DNR	NRWI	2,731

Flood Policies in Force as of 8/1/07							
Policy Number	Risk Location Code	Property Address	City	State	Agency	Agency Code	Premium
1011111330	NRWI1596	141 E. 16th Street, Bldg. 1	Durango	CO	DNR	NRWI	2,438
1011111331	NRWI1597	141 E. 16th Street, Bldg. 2	Durango	CO	DNR	NRWI	6,730
1011111332	NRWI1600	151 E. 16th Street, Bldg. 1	Durango	CO	DNR	NRWI	3,903
1011111333	NRWI1606	141 E. 16th Street, Bldg. 3	Durango	CO	DNR	NRWI	4,574
1011111334	NRWI1614	1687 County Road 480	Evergreen	CO	DNR	NRWI	3,221
1011111335	NRWI1761	520 Reservoir Road	Pueblo	CO	DNR	NRWI	4,306
1011111336	NRWI1766	500 Reservoir Road, Bldg. 1	Pueblo	CO	DNR	NRWI	7,887
1011111337	NRWI1769	500 Reservoir Road, Bldg. 2	Pueblo	CO	DNR	NRWI	7,118
1011111338	NRWI1804	7725 CR154, Bldg. 1	Salida	CO	DNR	NRWI	6,014
1011111339	NRWI1805	7725 CR154, Bldg. 2	Salida	CO	DNR	NRWI	3,693
1011111340	NRWI1811	7725 W. US Hwy 50	Salida	CO	DNR	NRWI	2,555
1011111341	NRWI1812	7725 CR154, Bldg. 3	Salida	CO	DNR	NRWI	1,924
1011111342	NRWI1813	7725 CR154, Bldg. 4	Salida	CO	DNR	NRWI	2,086
1011111343	NRWI1814	7725 CR154, Bldg. 5	Salida	CO	DNR	NRWI	3,083
1011111344	NRWI1815	7725 CR154, Bldg. 6	Salida	CO	DNR	NRWI	2,762
1011111345	NRWI1421	151 E. 16th Street, Bldg. 2	Durango	CO	DNR	NRWI	3,208
1011111292	PSPA1425	13360 W. I-76 Frontage Road, Bldg. 2, Garage	Ft. Morgan	CO	DPS	PSPA	582
1011111346	PSPA0414	20591 Hwy 160	Durango	CO	DPS	PSPA	1,650
1011111347	PSPA0992	15203 W. 12th Avenue	Golden	CO	DPS	PSPA	7,846
1011111348	PSPA1424	13360 W. I-76 Frontage Road	Ft. Morgan	CO	DPS	PSPA	1,961
1011111351	RVRL8511	700 W. Mississippi Avenue	Denver	CO	DOR	RVRL	4,023

Schedule 13
Change Request for FY 08-09 Budget Request Cycle

Request Title: **FY 2007-08 Statewide Vehicle Lease Line Reconciliation**
 Department: **Personnel & Administration**
 Priority Number: **Statewide Supplemental #7**

Decision Item FY 08-09 ☐ Base Reduction Item FY 08-09 ☐ Supplemental FY 07-08 ☒ Budget Request Amendment FY 08-09 ☐

Dept. Approval by: *[Signature]* Date: **January 2, 2008**
 OSPB Approval: *[Signature]* Date: **12/21/07**

		1	2	3	4	5	6		8	9	10
	Fund	Prior-Year Actual FY 06-07	Appropriation FY 07-08	Supplemental Request FY 07-08	Total Revised Request FY 07-08	Base Request FY 08-09	Decision/ Base Reduction FY 08-09	November 1 Request FY 08-09	Budget Amendment FY 08-09	Total Revised Request FY 08-09	Change from Base (Column 5) FY 09-10
Total of All Line Items	Total	12,604,236	13,370,959	1,116,268	14,487,227	13,370,959	(458,482)	12,912,477	0	12,912,477	(458,482)
	FTE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	GF	174	2,910	0	2,910	2,910	0	2,910	0	2,910	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	1,847,561	1,948,015	0	1,948,015	1,948,015	0	1,948,015	0	1,948,015	0
	CFE	10,756,501	11,420,034	1,116,268	12,536,302	11,420,034	(458,482)	10,961,552	0	10,961,552	(458,482)
	FF	0	0	0	0	0	0	0	0	0	0
(1) Executive Office	Total	124,538	160,341	(43,635)	116,706	160,341	(15,322)	145,019	0	145,019	(15,322)
Vehicle Lease Payments	FTE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	GF	174	2,910	0	2,910	2,910	0	2,910	0	2,910	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	0	0	0	0	0	0	0	0	0	0
	CFE	124,364	157,431	(43,635)	113,796	157,431	(15,322)	142,109	0	142,109	(15,322)
	FF	0	0	0	0	0	0	0	0	0	0
(4) Division of Central Services	Total	12,479,698	13,210,618	1,159,903	14,370,521	13,210,618	(443,160)	12,767,458	0	12,767,458	(443,160)
Fleet Management and Motor Pool Services, Vehicle Replacement Lease, Purchase or Lease/Purchase	FTE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	GF	0	0	0	0	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	1,847,561	1,948,015	0	1,948,015	1,948,015	0	1,948,015	0	1,948,015	0
	CFE	10,632,137	11,262,603	1,159,903	12,422,506	11,262,603	(443,160)	10,819,443	0	10,819,443	(443,160)
	FF	0	0	0	0	0	0	0	0	0	0

Letternote revised text: Pursuant to Section 24-82-801 (2), C.R.S., the Department of Personnel & Administration is authorized to enter into a lease-purchase agreement for the approved FY 2007-08 vehicle replacements and additions. The lease-purchase agreement shall be for a period of up to eight TEN years and shall not exceed an amount over \$17,000,000.

Cash Fund name/number, Federal Fund Grant name: COFRS Fund 607 (Motor Fleet Management Fund)

IT Request: ☐ Yes ☒ No

Request Affects Other Departments: ☒ Yes ☐ No

If Yes, List Other Departments Here: All State Fleet Management customer agencies, including Departments of Public Safety, Agriculture, Corrections, Public Health & Environment, Human Services, Local Affairs, Labor & Employment, Military & Veterans' Affairs, Natural Resources, Personnel & Administration, Regulatory Agencies, Revenue, Transportation, Law, State, Judicial, Education, the Office of the Governor and Institutions of Higher Education

CHANGE REQUEST for FY 2008-09

Department:	Colorado Department of Personnel & Administration
Priority Number:	Statewide Supplemental #7
Change Request Title:	FY 2007-08 Statewide Vehicle Lease Line Reconciliation

SELECT ONE (click on box):

- ☐ Decision Item FY 08-09
- ☐ Base Reduction Item FY 08-09
- ☒ Supplemental Request FY 07-08
- ☐ Budget Request Amendment FY 08-09
- ☐ Supplemental Request FY 06-07

SELECT ONE (click on box):

Supplemental or Budget Request Amendment Criterion:

- ☐ Not a Supplemental or Budget Request Amendment
- ☐ An emergency
- ☐ A technical error which has a substantial effect on the operation of the program
- ☒ New data resulting in substantial changes in funding needs
- ☐ Unforeseen contingency such as a significant workload change

Short Summary of Request:

This is a statewide technical FY 2007-08 Supplemental Request that is intended to reconcile the spending authority in DPA's Central Services, Fleet Management Program and Motor Pool Services (referred to herein as State Fleet Management) with departmental appropriations for Vehicle Lease Payments to reflect departments' needs in the associated line items. The request will reduce statewide appropriations in various departments' Vehicle Lease Payment line items by a total of \$1,552,253 for appropriated agencies (and an additional \$559,958 for non-appropriated agencies). The corresponding adjustment to State Fleet Management's spending authority to pay the annual financing obligations for FY 2007-08 is an increase of \$1,159,903 cash funds exempt.

Note also that the DPA customer share of this statewide request is a decrease of \$43,635, all Cash Funds Exempt, in the Executive Office, Vehicle Lease Payments line item.

Finally, the request seeks a correction to a Long Bill annotation that references the number of years associated with the lease/purchase of State Fleet Vehicles. This correction has no budgetary impact as it does not affect state appropriations.

Background and Appropriation History:

Vehicle Lease Payment line items are used to pay for existing vehicle leases and associated management fees. Prior to FY 2002-03, when vehicle leases expired, reductions in affected departments did not occur on a consistent basis. When funding for vehicle replacements was requested, the excess appropriations that built up in these line items were used to offset the total monthly cost of the replacements. Estimating the incremental base amount needed for both State Fleet Management (SFM) and State agencies inherently created variances between actual agency appropriations and SFM spending authority as vehicles changed and exact vehicle amounts became known.

The State Fleet Management Program (SFM) is designed to handle all aspects of a vehicle's life from the time of acquisition through disposal. SFM manages all maintenance, repairs, fuel expense, and accident repairs as well as maintaining a robust database with a detailed history for each vehicle. The Program manages these vehicle assets for all State agencies, helping to control unnecessary expenses, and managing adherence to effective preventive maintenance schedules, while gaining economies of scale and significant price reductions by aggregating purchasing opportunities and funding resources. State Fleet Management is also able to negotiate many private sector services for the State at the lowest cost possible. Examples include: financing, fuel cards, glass, tires, towing, maintenance and repair services, and body repairs.

Further, the State Fleet Management Program provides light duty vehicles including sedans, vans, SUV's, motorcycles, and pickup trucks to all State agencies on a long-term basis. In addition, with the passage of SB-015, all vehicles regardless of size were to be enrolled in the State Fleet Management Program during FY 2006-07. This added an additional 400+ specialized vehicles with a GVWR of one ton and greater to the fleet. With SFM managing all aspects of vehicle procurement and operations—acquisition, repairs, maintenance, and disposal—State agencies and employees can focus all of their resources on accomplishing their program missions.

SFM performs three major roles for the State:

For State departments and agencies, SFM is responsible for providing safe, reliable, cost effective vehicles uniquely tailored to best meet their specific program requirements. For the citizens of the state, SFM insures that State vehicles are purchased and maintained throughout their life cycle at the lowest available cost. For the Legislature, SFM manages statutory programs, ensures legal and regulatory compliance, and provides accurate information concerning trends in expense, utilization, fleet size and other relevant information to facilitate knowledgeable oversight and decision-making.

State Fleet Management is organized into four broad functional areas:

- Vehicle Acquisition and Disposal
- Maintenance Authorization and Control
- Invoice Processing and Account Reconciliation
- Special Project Oversight & Data Integrity

Program expenses are charged back to the user agency through three monthly rate components:

- A fixed rate to recover the debt service cost of vehicle acquisition.
- A variable rate per mile, determined by actual historical expenses for fuel, maintenance, repairs and accident cost.
- A management fee to capture program related fleet expenses for items such as salaries, rent, statewide indirect cost allocations, and miscellaneous operating costs.

General Description of Request:

Adjustment of Vehicle Lease Payments to Cover Existing Costs:

In FY 2001-02 SFM, in coordination with the OSPB and various state agencies, developed the attached worksheet and associated process to reconcile the variance between appropriated dollars and actual lease payments annually. This reconciliation used the full amount of vehicle leases to be billed to agencies, less appropriations no

longer required due to expiring leases. This approach gives a more accurate and verifiable calculation of base vehicle funding requirements, therefore this reconciliation is conducted on an annual basis to determine whether appropriated funds will need to be adjusted in the Vehicle Lease Payments line items of affected agencies. The result is a technical adjustment to the Vehicle Lease Payment line items for SFM user agencies as well as an adjustment to SFM program spending authority.

As a result of the analysis (refer to the calculations for request), it has been determined that SFM will require the appropriation of an additional \$1,159,903 in cash funds exempt spending authority, and agencies statewide have excess appropriations of \$1,552,253 for appropriated agencies (and additional excess appropriations of \$559,958 for non-appropriated agencies).

Finally, as referenced in the summary, the request includes a correction to a Long Bill annotation that references the number of years associated with the lease/purchase of State Fleet Vehicles. This correction has no budgetary impact as it does not affect state appropriations; in fact, the requested correction is accurate based upon current lease/purchase terms, and some vehicles currently have an anticipated depreciation schedule of 10 years. Via this request, the Department requests the following footnote correction:

Pursuant to Section 24-82-801 (2), C.R.S., the Department of Personnel & Administration is authorized to enter into a lease-purchase agreement for the approved FY 2007-08 vehicle replacements and additions. The lease-purchase agreement shall be for a period of up to ~~eight~~ TEN years and shall not exceed an amount over \$17,000,000.

Consequences if Not Funded:

Without the requested increase in spending authority, State Fleet Management will be unable to make full payments on the financing obligations for the State Fleet in the current fiscal year. Under this alternative, it is only the vendors and the good will of the State that suffer, when vendor payments are withheld or delayed. In addition, given that this request is submitted to align State agency appropriations and DPA, State Fleet Management spending authority with actual need based on all vehicle replacements and

additions approved for FY 2006-07 and FY 2007-08 and incorporates the actual current makeup of the fleet, this request simply reconciles to prior Joint Budget Committee approved requests.

Calculations for Request:

Summary of Request FY 07-08 (Reconciles to Schedule 13)	Total Funds	Cash Funds Exempt
Total Request [Items below total to this]	\$ 1,116,268	\$ 1,116,268
Executive Office, Vehicle Lease Payments	\$(43,635)	\$(43,635)
Division of Central Services, Fleet Management & Motor Pool Services, Vehicle Replacement Lease, Purchase or Lease/Purchase	\$1,159,903	\$1,159,903

STATE OF COLORADO FY 08-09 Supplemental Request: Colorado Department of Personnel & Administration

				8	Annualized				Projected	
	Division	Long Bill Appropriation	CARS Billing thru Oct, 2007	CARS Billing Oct, 2007	Current Fixed Oct, 2007	Pro-Rated Additions Fixed Paymts CSP-6; Other-3	Pro-Rated Replacements Fixed Paymts CSP-6; Other-4	Leases Ending by 6/30/08	Fixed Paymts (incl Mgt Fees)	FY 07-08 Supplemental Request
CDPS	EDO (Fire Safety & Criminal Justice)	\$48,493	\$6,387	\$1,597	\$38,155	\$0	\$0	\$0	\$38,155	(\$10,338)
CDPS	Colorado State Patrol (see note)	\$4,751,160	\$1,266,639	\$318,044	\$3,835,131	\$48,890	\$454,401	(\$349,889)	\$3,988,533	(\$762,627)
CDPS	CBI	\$168,230	\$60,500	\$15,040	\$180,820	\$0	\$0	\$0	\$180,820	\$12,590
DOAG	Agriculture	\$182,681	\$44,664	\$11,519	\$136,816	\$2,303	\$19,977	(\$3,387)	\$155,709	(\$26,972)
DOAG	State Fair		\$1,259	\$315	\$3,779	\$0	\$0	\$0	\$3,779	\$3,779
DOC	Department of Corrections	\$1,823,574	\$421,155	\$108,668	\$1,492,424	\$44,672	\$100,352	(\$46,147)	\$1,591,301	(\$232,273)
DOH	Department of Health	\$285,351	\$67,703	\$17,033	\$203,967	\$0	\$15,151	(\$4,960)	\$214,158	(\$71,193)
DOHS	Department of Human Services	\$716,648	\$181,029	\$45,568	\$608,717	\$0	\$42,551	(\$22,006)	\$629,262	(\$87,386)
DOLA	Local Affairs	\$79,635	\$21,778	\$5,447	\$65,354	\$0	\$10,114	(\$1,696)	\$73,772	(\$5,863)
DOLE	Labor and Employment	\$91,545	\$28,933	\$7,237	\$86,829	\$0	\$4,504	(\$2,027)	\$89,306	(\$2,239)
DOMA	Military Affairs	\$62,512	\$16,591	\$4,768	\$54,735	\$1,296	\$0	(\$970)	\$55,061	(\$7,451)
DONR	Natural Resources	\$2,372,285	\$686,017	\$169,464	\$2,046,601	\$31,172	\$161,665	(\$65,780)	\$2,173,658	(\$198,627)
DOR	EDO	\$253,647	\$69,315	\$17,864	\$212,227	\$1,200	\$10,083	(\$14,219)	\$209,291	(\$44,356)
DOR	Lottery	\$134,441	\$42,771	\$10,669	\$128,123	\$0	\$4,776	(\$3,655)	\$129,244	(\$5,197)
DOR	Gaming	\$49,104	\$15,720	\$3,930	\$47,160	\$0	\$0	(\$648)	\$46,512	(\$2,592)
DORA	Regulatory Agencies	\$203,304	\$56,077	\$14,030	\$168,317	\$3,016	\$8,544	(\$22,224)	\$157,653	(\$45,651)
GOV	Economic Development	\$17,052	\$5,354	\$1,339	\$16,066	\$0	\$0	(\$291)	\$15,775	(\$1,277)
DPA	Dept of Personnel (not MP)	\$160,341	\$35,588	\$8,781	\$112,276	\$0	\$12,236	(\$7,806)	\$116,706	(\$43,635)
DOL	Attorney General	\$57,483	\$13,868	\$3,467	\$41,604	\$2,170	\$4,402	\$0	\$48,176	(\$9,307)
DOS	Secretary of State	\$2,487	\$906	\$226	\$2,714	\$0	\$0	\$0	\$2,714	\$227
JUD	Public Defender	\$42,804	\$10,530	\$2,629	\$31,562	\$0	\$6,042	\$0	\$37,604	(\$5,200)
JUD	Courts	\$42,162	\$10,950	\$2,738	\$32,854	\$0	\$2,643	\$0	\$35,497	(\$6,665)
TOTAL LONG BILL APPROPRIATION		\$11,544,939	\$3,063,734	\$770,373	\$9,546,231	\$134,719	\$857,441	(\$545,705)	\$9,992,686	(\$1,552,253)
DOE	Department of Education	\$28,289	\$8,360	\$2,090	\$25,080	\$0	\$1,605	(\$3,941)	\$22,744	(\$5,545)
DOT	Department of Transportation	\$2,048,660	\$566,971	\$141,485	\$1,700,931	\$0	\$148,230	(\$77,378)	\$1,771,783	(\$276,877)
DOHE	Higher Education Total	\$752,350	\$141,704	\$35,699	\$427,296	\$0	\$62,305	(\$14,787)	\$474,814	(\$277,536)
TOTAL NOT APPROPRIATED		\$2,829,299	\$717,035	\$179,274	\$2,153,307	\$0	\$212,140	(\$96,106)	\$2,269,341	(\$559,958)
STATEWIDE TOTAL		\$14,374,238	\$3,780,769	\$949,647	\$11,699,538	\$134,719	\$1,069,581	(\$641,811)	\$12,262,027	(\$2,112,211)
DPA Motor Pool		-	-	8,928	107,136	-	16,621	(6,071)	117,686	
Highlighted entries in the column labeled "Annualized Current Fixed Oct 2007" contain manual adjustments due to vehicles not yet received, but anticipated prior to the end of FY 07-08, or for vehicles that are not reported in CARS. Please refer to the "assumptions for calculations" below for details associated with these adjustments.										

Agency Lease Line Reconciliation for FY 07-08

FY 07-08 Long Bill Appropriation (Appropriated Agencies)	\$11,544,939
Non-Appropriated Vehicle Lease Payments*	\$2,829,299
Total FY 07-08 Base Funding (All Agencies)	\$14,374,238
Estimated Reduction to FY 07-08 Based on Current Lease Payments	(\$2,674,700)
Approved Additions (Prorated)	\$134,719
Approved Replacements (Prorated)	\$1,069,581
Leases Ending in FY 07-08 (impact to FY 07-08)	(\$641,811)
Estimated FY 07-08 Statewide Need After FY 07-08 Supplemental	\$12,262,027
Non-Appropriated Vehicle Lease Payments*	(\$2,269,341)
Net Appropriated Agency Need for FY 07-08	\$9,992,686
Net FY 07-08 Supplemental Request	(\$1,552,253)

SFM Lease Payment Reconciliation for FY 07-08

COP 2002	\$	2,178,094
COP 2003	\$	1,088,081
COP 2004	\$	932,969
COP 2005	\$	3,622,274
COP 2006	\$	2,763,258
TRUST 2007 (Exhibit B)	\$	2,265,925
TRUST 2008 (Late Assets)	\$	96,827
TRUST 2008 (08 Pro-Ration+ known Adds)	\$	1,169,682
Total Known Lease Payments due in FY 07-08	\$	14,117,110
UNFORESEEN (Accident totals, denied repairs, etc.) @1.5%	\$	211,757
ACCIDENT TOTALS (Known YTD)	\$	22,906
Total FY 07-08 SFM Need for Lease Payments=	\$	14,351,773
FY 07-08 APPROPRIATION	\$	13,210,618
Current FY 07-08 Spending Authority	\$	13,191,870
Required Additional FY 07-08 Spending Authority=	\$	1,159,903

Assumptions for Calculations:

The Department determined the FY 07-08 projected need for agencies by performing the following steps:

1) The Department took all leases by agency as of October 2007 and annualized these amounts for a full 12 months to establish a baseline FY 07-08 need; as referenced on the prior table, there are certain exceptions where manual adjustments were made for vehicles not reported in CARS as of October 2007, including the following:

- CDPS EDO: Governors lease vehicles which are not recorded in CARS accounted for an additional \$18,992.
- CSP: Increased for 8 accident totals at \$4,828 per month x 5 months = \$24,140 added to total.
- DOC: \$195,639 was added for annual lump sum payments for 4 buses not recorded in CARS.
- DOHS: Adjusted for 6 vehicles not yet received for FY07 but anticipated before FY08 year-end. Total payments equal 4 vehicles at \$1,368 per month x 8 = \$10,944 + 2 vehicles at \$1,450 per month x 6 = \$8,700.
- DONR: Adjusted for 2 vehicles not yet received in FY07 but anticipated before FY08 year-end. Total monthly payments equal \$357 + \$252 = \$609 x 8 months = \$4,872.
- DPA: Adjusted for Mail Services expansion to purchase diesel cargo vans. Total of \$805 increased monthly payments x 8 months = \$6,440.
- DOT: Adjusted for one vehicle not yet received for FY07 but anticipated before FY08 year-end. Payment equals \$260 x 8 months = \$2,080.

2) then added in FY 07-08 replacement vehicles (four months for non State Patrol vehicles and six months for State Patrol Vehicles) and additions (three months for non State Patrol vehicles and six months for State Patrol vehicles) as previously approved by the General Assembly;

3) removed leases that will expire during FY 07-08; and

4) annualized FY 07-08 new and replacement vehicles for a full year impact.

With regard to the calculation of the necessary spending authority adjustment for State Fleet Management, the Department based the incremental need of \$1,159,903 on the actual payments associated with prior certificate of participation issuances through 2006, Colorado Fleet Trust 2007 actual payments, and current 2008 estimates that include the impact of previous JBC approved replacements and additions for FY 2007-08. In addition known costs year-to-date associated with accident totaled vehicles is included. Finally, as has been the case historically with this request, a 1.5% contingency is included for unforeseen circumstances, which includes further accident replacements, the impact of mission critical uneconomic repairs, etc. Once the calculation of need is performed as discussed above and as identified in the table below, the shortfall is compared to the base appropriation in the current fiscal year to arrive at the incremental additional appropriation required by State Fleet Management. Note also that an additional \$18,748 is included in the requested spending authority to address a current year restriction based on a prior year overexpenditure.

Impact on Other Government Agencies:

This request impacts all agencies with vehicles enrolled in the State Fleet and their respective vehicle lease payments line item appropriations.

Cost Benefit Analysis:

The additional \$1,159,903 in spending authority for the Department of Personnel and Administration is requested from funds already being collected from the agencies in current and prior years, which results in no additional cost to the State. The benefits of this request includes a) the truing up of agency appropriations to more accurately reflect the actual budgetary need based on changes to the number of vehicles and timing of lease and COP terms, and b) a materially significant reduction in statewide agency allocations for FY 2007-08 relative to initial Long Bill appropriations for vehicle lease payments (~\$1.6 million for appropriated agencies and ~\$2.14 million including non-appropriated agencies).

Implementation Schedule:

The adjustments to spending authority for DPA and agencies and DPA's requested technical correction to the Long Bill annotation will be effective upon passage of DPA's supplemental bill for FY 07-08.

Performance Measures:

This is a request for a realignment of existing appropriations and a correction to an annotation in SB07-239 that designates incorrectly the terms associated with financing approved FY 2007-08 vehicle replacements and additions. The request, in a broad sense, supports DPA's Objective #5 to "align all relevant tools in concert with identified business needs."

Statutory and Federal Authority:

24-30-1101 through 1118, see specifically 24-30-1104(2) and 24-30-1112 through 1117

24-30-1104 C.R.S. 2007 - Central Services Functions of the Department - definitions

(2) In addition to the county-specific functions set forth in subsection (1) of this section, the department of personnel shall take such steps as are necessary to fully implement a central state motor vehicle fleet system by January 1, 1993. The provisions of the motor vehicle fleet system created pursuant to this subsection (2) shall apply to the executive branch of the state of Colorado, its departments, its institutions, and its agencies; except that the governing board of each institution of higher education, by formal action of the board, and the Colorado commission on higher education, by formal action of the commission, may elect to be exempt from the provisions of this subsection (2) and may obtain a motor vehicle fleet system independent of the state motor vehicle fleet system. Under the direction of the executive director, the department of personnel shall perform the following functions pertaining to the motor vehicle fleet system throughout the state:

(a) Establish and operate a central state motor vehicle fleet system and such subsidiary-related facilities as are necessary to provide for the efficient and economical use of state-owned motor vehicles by state officers and employees;

(b) Establish and operate central facilities for the maintenance, repair, and storage of state-owned passenger motor vehicles for the use of state agencies; utilize any available state facilities for that purpose; and enter into contracts with such facilities as are necessary to carry out the provisions of this part 11;

(c) (I) Adopt uniform rules for motor vehicle acquisition, operation, maintenance, repair, and disposal standards. Uniform rules adopted by the executive director of the department of personnel pertaining to acquisition of motor vehicles by lease or purchase shall provide that low energy consumption shall be a favorable factor in determining the low responsible bidder. The size of any passenger motor vehicle shall not be greater than necessary to accomplish its purpose.

24-30-1117 C.R.S. - Exclusive Authority to Acquire State-owned Motor Vehicles

The department of personnel shall have the exclusive authority to purchase, lease, and otherwise acquire motor vehicles for such use by state officers and employees as may be necessitated in the course and conduct of official state business. Except for any vehicles donated to specific state agencies, no motor vehicle shall be purchased, leased, or otherwise acquired by any state agency unless such vehicle is obtained through the department of personnel or under an express waiver granted by the department.

DPA Requests



FY 2008 - 09

Schedule 13
Change Request for FY 08-09 Budget Request Cycle

Request Title: Decision Item FY 08-09 ☐ Base Reduction Item FY 08-09 ☐ Supplemental FY 07-08 ☒ Budget Request Amendment FY 08-09 ☒
 Department: Technical Corrections to SB07-239
 Priority Number: Personnel and Administration
 Dept. Approval by: *[Signature]* Date: January 2, 2008
 OSPB Approval: *[Signature]* Date: 12-26-07

		1	2	3	4	5	6	7	8	9	10
	Fund	Prior-Year Actual FY 06-07	Appropriation FY 07-08	Supplemental Request FY 07-08	Total Revised Request FY 07-08	Base Request FY 08-09	Decision/ Base Reduction FY 08-09	November 1 Request FY 08-09	Budget Amendment FY 08-09	Total Revised Request FY 08-09	Change from Base (Column 5) FY 09-10
Total of All Line Items	Total	6,080,960	5,800,383	140,788	5,941,171	5,847,369	0	5,847,369	140,788	5,988,157	140,788
	FTE	39.20	36.50	0.00	36.50	36.50	0.00	36.50	0.00	36.50	0.00
	GF	268,826	761,602	722,090	1,483,692	898,180	0	898,180	0	898,180	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	409,082	0	0	0	0	0	0	0	0	0
	CFE	5,403,052	5,038,781	(581,302)	4,457,479	4,949,189	0	4,949,189	140,788	5,089,977	140,788
	FF	0	0	0	0	0	0	0	0	0	0
(2) Division of Human Resources											
(8) Employee Benefits	Total	0	160,000	0	160,000	0	0	0	0	0	0
Services (EBS),	FTE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Deferred Compensation	GF	0	0	0	0	0	0	0	0	0	0
Plan and Defined	GFE	0	0	0	0	0	0	0	0	0	0
Contribution Plans	CF	0	0	0	0	0	0	0	0	0	0
Performance Audits	CFE	0	160,000	0	160,000	0	0	0	0	0	0
	FF	0	0	0	0	0	0	0	0	0	0
(4) Central Services											
(82) Document	Total	2,963,545	2,628,267	140,788	2,769,055	2,698,675	0	2,698,675	140,788	2,839,463	140,788
Solutions Group,	FTE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Personal Services	GF	0	0	0	0	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	0	0	0	0	0	0	0	0	0	0
	CFE	2,963,545	2,628,267	140,788	2,769,055	2,698,675	0	2,698,675	140,788	2,839,463	140,788
	FF	0	0	0	0	0	0	0	0	0	0
(5) Division of Finance and Procurement											
(A) State Controller's	Total	3,117,415	3,012,116	0	3,012,116	3,148,694	0	3,148,694	0	3,148,694	0
Office (SCO) and	FTE	39.20	36.50	0.00	36.50	36.50	0.00	36.50	0.00	36.50	0.00
Procurement Services,	GF	268,826	761,602	722,090	1,483,692	898,180	0	898,180	0	898,180	0
Personal Services	GFE	0	0	0	0	0	0	0	0	0	0
	CF	409,082	0	0	0	0	0	0	0	0	0
	CFE	2,439,507	2,250,514	(722,090)	1,528,424	2,250,514	0	2,250,514	0	2,250,514	0

Schedule 13
Change Request for FY 08-09 Budget Request Cycle

Decision Item FY 08-09 ☐ Base Reduction Item FY 08-09 ☐ Supplemental FY 07-08 ☒ Budget Request Amendment FY 08-09 ☒
 Request Title: Technical Corrections to SB07-239
 Department: Personnel and Administration Dept. Approval by: _____ Date: January 2, 2008
 Priority Number: Supplemental #1, Budget Amendment #1 OSPB Approval: _____ Date: _____

	1	2	3	4	5	6	7	8	9	10
Fund	Prior-Year Actual FY 06-07	Appropriation FY 07-08	Supplemental Request FY 07-08	Total Revised Request FY 07-08	Base Request FY 08-09	Decision/ Base Reduction FY 08-09	November 1 Request FY 08-09	Budget Amendment FY 08-09	Total Revised Request FY 08-09	Change from Base (Column 5) FY 09-10
FF	0	0	0	0	0	0	0	0	0	0

Letternote revised text: 1.) For (2) Division of Human Resources, (B) Employee Benefits Services, annotation 'e': "Of this amount, \$80,000 shall be from the Group Benefit Plans Reserve Fund pursuant to Section 24-50-613 (2), DEFERRED COMPENSATION ADMINISTRATION FUND PURSUANT TO SECTION 24-52-102 (5) (A), C.R.S., and ..."
 2.) For (5) Division of Finance and Procurement, (A) State Controller's Office (SCO) and Procurement Services, Personal Services, annotation 'a': "...and \$722,000 shall be from various other sources."

Cash Fund name/number, Federal Fund Grant name: 1.) Deferred Compensation Plan Administration Fund (COFRS 720), 2.) Indirect Cost Recoveries (COFRS 100), and the Department of Personnel Revolving Fund (COFRS 601).

IT Request: ☐ Yes ☒ No

Request Affects Other Departments: ☐ Yes ☒ No

If Yes, List Other Departments Here:

CHANGE REQUEST for FY 08-09 BUDGET REQUEST CYCLE

Department:	Personnel and Administration
Priority Number:	Supplemental #1, Budget Amendment #1
Change Request Title:	Correction of FY 07-08 Long Bill Technical Errors

SELECT ONE (click on box):

- ☐ Decision Item FY 08-09
- ☐ Base Reduction Item FY 08-09
- ☒ Supplemental Request FY 07-08
- ☒ Budget Request Amendment FY 08-09

SELECT ONE (click on box):

Supplemental or Budget Request Amendment Criterion:

- ☐ Not a Supplemental or Budget Request Amendment
- ☐ An emergency
- ☒ A technical error which has a substantial effect on the operation of the program
- ☐ New data resulting in substantial changes in funding needs
- ☐ Unforeseen contingency such as a significant workload change

Short Summary of Request:

This request is made to address three technical drafting errors related to the Department of Personnel and Administration's (DPA) long bill section. The funding associated with one correction totals \$0, representing the refinance of \$722,090 cash funds exempt spending authority with a like amount of General Fund. The second correction addresses an annotation error in the FY 07-08 Long Bill, SB07-239, which has substantial funding impacts to the associated program. The third correction applies corresponding spending authority to line items in the Document Solutions Group for projects already approved and appropriated in two other agencies, totaling \$140,788 cash funds exempt for both FY 07-08 and FY 08-09. These corrections will ensure proper funding for the programs' operations.

Background and Appropriation History:

For the (2) Division of Human Resources, (B) Employee Benefits Services (EBS) unit, a budget amendment to the FY 07-08 request (Budget Amendment #1 – DC Plans Program Audit) appealed for \$160,000 cash funds exempt (CFE) in a newly appropriated line for performance audits of the Deferred Compensation Plan and the Defined Contribution Plans through SB07-239. The appropriation was approved at the correct aggregate

amount, but the annotation designated \$80,000 from the wrong fund. Additionally, per page 47 of the Department's figure setting document (March 1, 2007), JBC did recommend the Department's FY 07-08 Budget Amendment (which is confirmed on page 360 of the FY 07-08 Appropriations Report) and noted that revenue would come from the Defined Contribution Plan Administration Fund and the Deferred Compensation Administrative Fund. Given the documented JBC staff support for the source of funds and subsequent appropriation of the \$160,000, the Department believes it is reasonable to assume that there was a drafting error for this letter notation in the FY 07-08 Long Bill.

Concerning the Document Solutions Group (DSG) in the Division of Central Services (DCS), decision items for both the Department of Regulatory Agencies (DORA) and the Department of Law's (DOL) Peace Officer Standards and Training Board (POST) totaling \$140,788 to scan and store digital images were approved and appropriated per the JBC's FY 07-08 Appropriations Report. Documentation of the DOL project (totaling \$44,638) appears on p. 284, and record of the DORA appropriation (for \$96,150) appears on p. 431.

An annual appropriation to the Division of Finance and Procurement finances the Office of the State Controller (OSC) and the Procurement Services program. The OSC oversees the financial affairs of the State by promulgating the State Fiscal Rules, producing statewide financial reports, maintaining liaisons with agency financial personnel and overseeing the end-of-year financial closing processes. It also manages the State's contracting process, performs targeted audit and review activities, and maintains centralized functions of the State's financial system, such as employee payroll. The Procurement Services program promulgates the State's procurement rules, handles vendor appeals related to bid protest decisions, and administers over 300 price agreements. It also maintains an online solicitation publication system for statewide competitive procurements, conducts procurements for various agencies and departments, and manages the procurement card process.

Regarding the annotation for Personal Services funding within the State Controller's Office, the Department has continuously requested and received Cash Funds Exempt

revenue for its FTE needs. This Cash Funds Exempt Revenue has been provided by the General Assembly from a variety of sources over the last four fiscal years (as noted in the table below). However, for the FY 07-08 fiscal year, the line is annotated for \$722,090 from “various other sources” as a revenue stream rather than indirect cost recoveries as in prior years, and this appears to be a drafting error. In conversations with JBC staff, the Department found that there is a great likelihood that all indirect cost recoveries for FY 07-08 have already been appropriated to other agencies (both within and outside DPA). Since indirect cost recoveries are used to offset General Fund in centrally functioning agencies and there are none left to distribute, the line item needs General Fund as the source of revenue to make this appropriation whole for this fiscal year.

Historic Revenue Sources for the OSC Cash Funds Exempt Appropriation	FY 03-04 (SB03- 258)	FY 04-05 (HB04-1422)	FY 05-06 (SB05- 209)	FY 06-07 (HB06-1385)	FY 07-08 (SB07-392)
Procurement Care Rebates	X	X	X	X	X
Statewide Indirect from Labor and Employment	X	X	X	X	
Statewide Indirect from Transportation	X	X			
Statewide Indirect from Local Affairs		X			
Statewide Indirect from Department of State	X				
Debt Collection Fund Reserve Balance	X	X	X	X	
Supplier Database Cash Fund Reserve Balance	X		X	X	
Various Other Sources					X

General Description of Request:

This request addresses three drafting errors in the FY 07-08 Long Bill. First, annotation ‘e’ for the (2) Division of Human Resources, (B) Employee Benefits Services (EBS), Deferred Compensation Plan and Defined Contribution Plans Performance Audits line item (p. 169 of SB07-239) should be modified to read:

“Of this amount, \$80,000 shall be from the ~~Group Benefit Plans Reserve Fund pursuant to Section 24-50-613 (2)~~, DEFERRED COMPENSATION ADMINISTRATION FUND PURSUANT TO SECTION 24-52-102 (5) (A), C.R.S., *and...*”

The request to change the annotation in the EBS reflects the need for proper funding of an approved and appropriated budget amendment for FY 07-08 (DC Plans Program Audit). Changing the annotation to reflect \$80,000 from the Deferred Compensation Administration Fund rather than the Group Benefit Plans Reserve Fund will correct the technical error and allow for appropriate expenditures.

Secondly, annotation 'a' for the (5) Division of Finance and Procurement, (A) State Controller's Office and Procurement Services program (p. 174 of SB07-239) calls for a "various sources" revenue stream that does not exist. The appropriation is typically made whole with indirect cost recoveries, but conversations with JBC staff have led Department staff to believe that this revenue source (both statewide and Department internal) has been fully committed to other agencies' appropriations. Therefore, a General Fund appropriation of \$722,090 is necessary, and the annotation should be revised to read:

~~"Of t~~ This amount, ~~-\$1,528,424~~ shall be from rebates received from the Procurement Card Program and ~~\$722,090 shall be from various other sources."~~

This correction will create an adequate and appropriate source of funds for the operation of central financial services for the State.

Lastly, the Personal Services appropriation for the Document Solutions Group in DCS needs to be increased by \$140,788 for FY 07-08 and FY 08-09. This is the combined total of two requests made by DOL and DORA.

Consequences if Not Funded:

If the annotation is not corrected in the Employee Benefits Services program, the performance audit of the Deferred Compensation Plan will not occur as approved by the General Assembly with the passage of SB07-239. The Group Benefits Reserve Fund may not be used for such purposes per 24-50-613 (2), C.R.S. (2007), so \$80,000 CFE of spending authority would be reverted. For DSG, other projects are budgeted to use the existing appropriation, so less costly rates to do this work for CBI will be unavailable.

For the State Controller's Office, there is no source of cash funds exempt revenue that the program can generate and utilize with an appropriation annotated for "various sources;" a specific source must be designated in the annotation. No fee revenue is generated for this program and there are no associated fund reserve balances that are appropriate to target. As a result of this technical error, if no indirect cost recovery revenues are available (an assumption of this request), this program will need an appropriation of \$722,090 General Fund to be made whole for operation of the State's central financial services.

Calculations for Request:

Summary of Request FY 07-08	Total Funds	General Fund	Cash Funds Exempt
Total Request	\$140,788	\$722,090	(\$581,302)
(4) Division of Central Services, Document Solutions Group, Personal Services	\$140,788	\$0	\$140,788
(5) Division of Finance and Procurement, (A) State Controller's Office and Procurement Services the bottom line funded	\$0	\$722,090	(\$722,090)

Summary of Request FY 08-09	Total Funds	General Fund	Cash Funds Exempt
Total Request, (4) Division of Central Services, Document Solutions Group, Personal Services	\$140,788	\$0	\$140,788

Assumptions for Calculations:

The source for the incorrectly annotated amount (\$722,090) in the OSC is annotation 'a' for the (5) Division of Finance and Procurement, (A) State Controller's Office (SCO) and Procurement Services program (p. 174 of SB07-239). Conversations with JBC staff have led Department staff to believe that all available indirect cost recoveries (statewide and Department internal), the usual source of revenue for this appropriation, have been committed to other agencies' appropriations. Therefore, a General Fund appropriation is necessary. For DSG, the FY 07-08 Appropriations Report indicates total new funding of

\$140,788 per p. 284 (DOL) and p. 431 (DORA). This represents a cash funds exempt appropriation for DSG as these are funds from other State agencies.

Impact on Other Government Agencies: There is no impact to other agencies as a result of this request.

Cost Benefit Analysis: This section is not applicable to this request.

Implementation Schedule: Corrections to the appropriations will be effective upon passage of DPA's supplemental bill for FY 07-08.

Statutory and Federal Authority: For the EBS program, authority is derived for the Deferred Compensation Administration Fund pursuant to Section 24-52-102 (5) (a), C.R.S. (2007). For the State Controller's Office and Procurement Services program, authority is derived in part from Section 24-30-201 C.R.S. (2007). For DSG, see 24-30-1104 C.R.S. (2007).

Performance Measures: This is a request for three technical drafting corrections in SB07-239 that designate revenue sources for appropriations of statutorily mandated programs and in this broad sense supports DPA's Objective #5 to "align all relevant tools in concert with identified business needs."

Schedule 13
Change Request for FY 08-09 Budget Request Cycle

Request Title: State Archives Refinance Supplement
 Department: Personnel & Administration
 Priority Number: Supplemental #2

Decision Item FY 08-09 ☐ Base Reduction Item FY 08-09 ☐ Supplemental FY 07-08 ☒ Budget Request Amendment FY 08-09 ☐

Dept. Approval by: *[Signature]* Date: 12/14/07
 OSPB Approval: *[Signature]* Date: 12/18/07

		1	2	3	4	5	6	7	8	9	10
	Fund	Prior-Year Actual FY 06-07	Appropriation FY 07-08	Supplemental Request FY 07-08	Total Revised Request FY 07-08	Base Request FY 08-09	Decision/ Base Reduction FY 08-09	November 1 Request FY 08-09	Budget Amendment FY 08-09	Total Revised Request FY 08-09	Change from Base (Column 5) FY 09-10
Total of All Line Items	Total	559,909	542,481	0	542,481	566,042	32,235	598,277	0	598,277	32,235
	FTE	8.00	9.00	0.00	9.00	9.00	0.00	9.00	0.00	9.00	0.00
	GF	461,413	419,759	33,185	452,944	443,320	50,245	493,565	0	493,565	50,245
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	80,316	78,669	0	78,669	78,669	15,142	93,811	0	93,811	15,142
	CFE	18,180	44,053	(33,185)	10,868	44,053	(33,152)	10,901	0	10,901	(33,152)
	FF	0	0	0	0	0	0	0	0	0	0
(6) Division of Information Technology (G) Information and Archival Services, Personal Services	Total	510,961	485,687	0	485,687	509,248	32,235	541,483	0	541,483	32,235
	FTE	8.00	9.00	0.00	9.00	9.00	0.00	9.00	0.00	9.00	0.00
	GF	412,465	362,965	33,185	396,150	386,526	50,245	436,771	0	436,771	50,245
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	80,316	78,669	0	78,669	78,669	15,142	93,811	0	93,811	15,142
	CFE	18,180	44,053	(33,185)	10,868	44,053	(33,152)	10,901	0	10,901	(33,152)
	FF	0	0	0	0	0	0	0	0	0	0
(G) Information and Archival Services, Operating Expenses	Total	48,948	56,794	0	56,794	56,794	0	56,794	0	56,794	0
	FTE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	GF	48,948	56,794	0	56,794	56,794	0	56,794	0	56,794	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	0	0	0	0	0	0	0	0	0	0
	CFE	0	0	0	0	0	0	0	0	0	0
	FF	0	0	0	0	0	0	0	0	0	0

Letternote revised text: N/A

Cash Fund name/number, Federal Fund Grant name: Fees from customers (COFRS 100).

IT Request: ☐ Yes ☒ No

Request Affects Other Departments: ☐ Yes ☒ No If Yes, List Other Departments Here:

CHANGE REQUEST for FY 08-09 BUDGET REQUEST CYCLE

Department:	Personnel and Administration
Priority Number:	Supplemental #2
Change Request Title:	State Archives Refinance and Funding Supplement

SELECT ONE (click on box):

- ☐ Decision Item FY 08-09
☐ Base Reduction Item FY 08-09
☒ Supplemental Request FY 07-08
☐ Budget Request Amendment FY 08-09

SELECT ONE (click on box):

Supplemental or Budget Request Amendment Criterion:

- ☐ Not a Supplemental or Budget Request Amendment
☐ An emergency
☐ A technical error which has a substantial effect on the operation of the program
☒ New data resulting in substantial changes in funding needs
☐ Unforeseen contingency such as a significant workload change

Short Summary of Request:

Authorization of this request to refinance and supplement funding in the Information and Archival Services (Archives) program appropriation will ensure that stable revenues are available to eliminate the need for what has become an annual General Fund subsidy to make up for deficient cash funds exempt revenues. By refinancing a portion of the cash funds exempt appropriation with General Fund, this shortfall is mitigated with reliable sources of income. The requested funding totals \$0, split between \$33,185 General Fund and (\$33,185) cash funds exempt spending authority.

Background and Appropriation History:

The Information and Archival Services program within the Division of Information Technology (DoIT) plans, implements and operates the State's archival and records management program to protect, preserve and maintain various legal and other documents for all levels of State government. This unit develops and approves record retention policies and destruction schedules for all State agencies, counties, cities, school districts, and special districts as regards preservation and management of records. These records are a valuable business asset to the State and are recorded in a variety of forms from paper to electronic formats. Research assistance is provided to the general public at

the main office at 1313 Sherman Street in the Centennial Building.

The Archives program is also responsible for managing and operating the State's home page content on the Internet. Colorado's State website offers many resources, such as a site limited and global search engine, site hosting for many State agencies, and support for web-based applications. The State website has been re-structured as a gateway, or "portal," to State government, local government, community, and regional information.

The following table presents the appropriated funding history of this bottom-line funded program from FY02-03 (including the supplemental adjustment) to the present Long Bill appropriation (SB07-239). The first General Fund (GF) reduction occurred through SB03-213; this, coupled with the cash funds exempt (CFE) reduction, led to a 6.0 FTE staffing reduction. In the following fiscal year (FY03-04), an additional General Fund cut occurred (affecting both operating expenses and personal services), but the FTE appropriation remained the same, indicating to the Department that this was thought to be a sustainable level for the appropriated staffing. SB03-197 (the pay-date shift bill) would also have contributed to the problem because a proportionately larger share of FY 02-03 payroll would have shifted to a smaller General Fund base in FY 03-04, exacerbating the problem for years going forward. The request is made to reset a portion of this appropriation with General Fund so that the existing (already appropriated) FTE may be utilized through a correction to the funding deficiency, setting the appropriations in concert with estimated revenue streams.

FY Appropriation	FY02-03 Long Bill	SB03-213 Supplemental	FY02-03 Final	FY03-04 Long Bill	FY04-05 Long Bill	FY05-06 Long Bill	FY06-07 Long Bill	FY07-08 Long Bill
FTE	15.0	(6.0)	9.0	9.0	9.0	9.0	9.0	9.0
Total	\$940,280	(\$369,256)	\$571,024	\$489,139	\$507,645	\$519,116	\$531,594	\$542,481
General Fund	\$541,451	(\$79,092)	\$462,359	\$369,732	\$388,277	\$395,778	\$408,256	\$419,759
Cash Funds	\$86,169	\$0	\$86,169	\$89,024	\$89,024	\$79,064	\$79,064	\$78,669
Cash Funds Exempt	\$312,660	(\$290,164)	\$22,496	\$30,383	\$30,344	\$44,274	\$44,274	\$44,053

General Description of Request:

This request is made to address a problem that the program cannot overcome and can no longer manage without the funding adjustments that it seeks. Cash funds exempt revenues continue to be earned at a rate far lower than the appropriation is set for, and the analysis indicates there is no reason to believe that higher revenues will be earned in the future. As a result, staffing continually falls short of the appropriated FTE level and the program, even with reduced staffing, requires forced savings in operating expenses and a subsidy of General Fund pots that would otherwise be allocated for use by other programs in the Department. By refinancing \$33,185 of the CFE appropriation with a like amount of General Fund, this shortfall is mitigated with consistent sources of income.

The Department made three important findings in the development of this request. First, staff salaries are set at appropriate levels; the funding shortfall is not a result of excessive salary levels for this group. The average staff member in Archives has been with the State for nearly 18 years and is paid at a rate that is approximately two-thirds (66.3%) through the pay range for her/his respective classification. The table below reports position by position salary data for the eight (8) current Archives employees.

Position Number	Classification	Monthly Salary (\$)	Salary Range Min (\$)	Salary Range Max (\$)	Salary Range Mid (\$)	Salary Range Percentage	Hire Date	Years with the State
04054	Archivist II	\$4,573	\$3,222	\$4,643	\$3,933	95.1%	Sep-95	12.0
04055	Archivist II	\$4,534	\$3,222	\$4,643	\$3,933	92.3%	Jul-86	21.1
04056	Admin Assistant III	\$3,759	\$2,791	\$3,916	\$3,354	86.0%	Jun-79	28.2
04058	General Professional VII	\$8,622	\$6,073	\$8,755	\$7,414	95.0%	Feb-69	38.6
04059	General Professional III	\$5,092	\$3,728	\$5,376	\$4,552	82.7%	Jul-90	17.1
04060	Archivist I	\$2,884	\$2,857	\$4,122	\$3,490	2.1%	May-04	3.3
04062	General Professional III	\$4,676	\$3,728	\$5,376	\$4,552	57.5%	Jul-93	14.1
04063	Archivist I	\$3,107	\$2,857	\$4,122	\$3,490	19.7%	Sep-99	8.0
	Averages	\$4,656				66.3%		17.8

Second, the program has set fees for its services at a relatively high level already and should not increase fees to generate further revenues. As the following table shows, not only is Archives charging at the fee “cap” for copies (not able to charge higher than this per 24-72-25 (1) C.R.S. (2007)), but fees are already set higher for all services but two (photographic prints and out of state research fee) for similar services in other states. In all cases but one (photographic prints), service fees are higher than the ten state average represented. Shaded entries in the table represent the states with the highest fees for each service category.

Reference Costs (\$) for Similar Information and Archival Services*											
Service	CO	UT	NM	WY	NE	OK	OR	MO	IL	GA	Avg.
Copy/Page	1.25	0.50	0.55-0.65	0.50	0.50 - 0.75	0.25	0.75	0.10 - 1.00	0.50 - 1.00	0.30	0.60
In-State Search Fee	15.00	0.00	0.00	0.00	10.00	0.00	5.00	0.00	0.00	15.00	3.10
Non-State Search Fee	25.00	0.00	0.00	0.00	20.00	0.00	10.00	0.00	10.00	30.00	9.50
Certifications	10.00 - 30.00	2.00	6.00	3.00-6.00	N/A	1.00	5.00	2.00	2.00	2.00	4.45
Labor/Hour	30.00	20.00	10.00	15.00	25.00	15.00	30.00	20.00	28.00	25.00	21.80
Audio Tape Duplication	75.00	N/A	30.00-47.00	15.00	15.00 - 30.00	N/A	6.00	N/A	N/A	10.00	16.75
Fax/Page	2.00	0.50	0.60	0.50	N/A	1.00	0.75	1.00	2.00	2.00	1.03
Photograph Prints	10.00	Cost	14.00	7.00-9.00	15.00	10.00	10.00	10.00 - 15.00	15.00	10.00 - 15.00	10.70

* Survey of ten (10) states performed August 20, 2007, by Archives staff.

N/A = Data not available.

Thirdly, cash funds exempt revenues are expected to be earned at the regressed FY07-08 level (see table and chart in “Assumptions for Calculations”). Already at a low level, program staff believes this is steady and attainable going forward. Revenues for services have not been earned at the appropriation setting for the last five (5) fiscal years at least, and there is no evidence that they will ever recover to a level significant enough to remedy the existing shortfall. One primary reason for this is that State agencies, the primary customers for this fee base, are able to go elsewhere for data and records that

they seek; for instance, many of the offerings of Archives are also available at far lower rates through the Legislative Services Library. Therefore, the Department concludes that the funding shortfall is a result of the decline of cash funds exempt revenue in recent fiscal years and that the solution is to reset the appropriation with an appropriate level of General Fund spending authority.

Consequences if Not Funded:

If this request is not approved the Program faces laying staff off for part of the year and/or supplementing funding (IF such funding is available) on an ongoing basis from salary/benefit pots not otherwise requested or allocated for Archives, creating potential shortfalls elsewhere in personal services funding. Beginning in FY07-08 and continuing forward with the Joint Budget Committee's policy to appropriate pots for filled positions only (based on a simple "snapshot" of agencies' staffing patterns, not on all budgeted/appropriated FTE), the Department will have a difficult time making less funding spread further. Even without this policy in place for FY06-07, the Department reverted less than one tenth of one percent (0.10%) of the General Fund pots appropriations (\$789 of \$813,116 appropriated), showing that it is utilizing this fund source maximally; a policy of appropriating funding only for filled positions at a single point in time will erode the flexibility required to solve problems such as these within existing means.

In addition, the program will continue to revert cash funds exempt spending authority in its line items since revenues will not be available to cover relevant costs. In cases of urgent need with either personal services or operating expenses, other line items within the division may be used to absorb these costs if General Fund pots are unavailable, creating charges indirectly to user agencies to the extent that the Computer Services Revolving Fund (COFRS 602) or the Telecommunications Revolving Fund (COFRS 603) are used. This is generally in conflict with 24-80-102 (10) C.R.S., which states, "In no event shall the executive director charge any fee to any public entity to produce information which the public entity is required by law to file with the state archives."

Calculations for Request:

Summary of Request FY07-08	Total Funds	General Fund	Cash Funds	Cash Funds Exempt	Federal Funds	FTE
Total Request: Adjust bottom line funding splits for the State Archives program relative to estimated cash fund exempt earnings.	\$0	\$33,185	\$0	(\$33,185)	\$0	0.0

Using the regressed value for cash funds exempt revenues described in “Assumptions for Calculations,” the fund source split of the net adjustment is calculated as follows:

Fund Source	FY07-08 Revised Funding Need	less FY07-08 Appropriation	equals Funding Adjustment
Total	\$542,481	\$542,481	\$0
General Fund	\$452,944	\$419,759	\$33,185
Cash Funds	\$78,669	\$78,669	\$0
Cash Funds Exempt	\$10,868	\$44,053	(\$33,185)

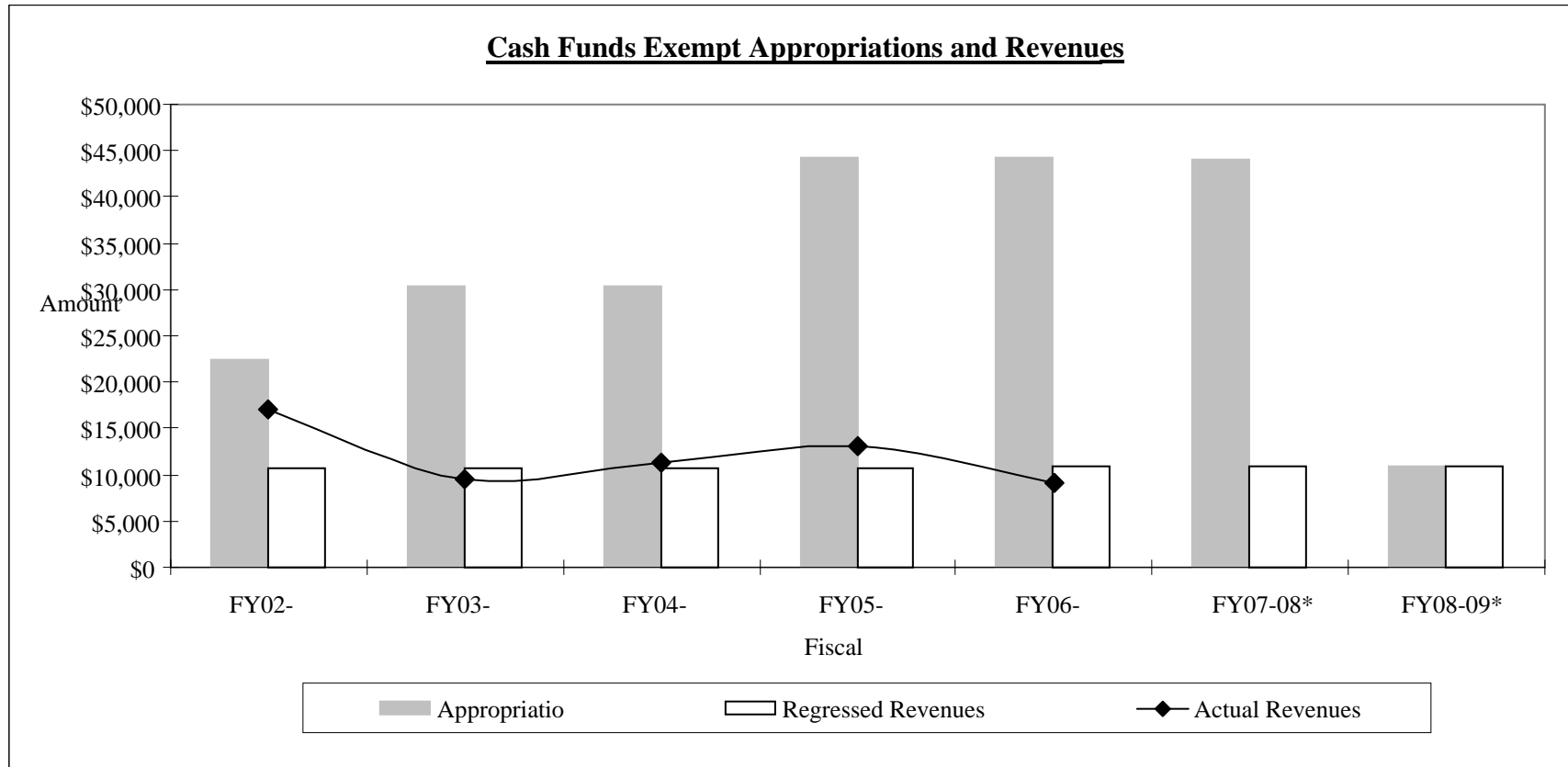
Assumptions for Calculations:

The following table and graph represent linear regressions of actual cash funds exempt revenues. Only the prior four (4) years of data (FY03-04 through FY06-07) are used because data for FY02-03 are deemed by staff to be circumstantial outliers; i.e., cash funds exempt appropriations in the program were drastically reduced through the FY02-03 supplemental bill (SB03-213) and FY03-04 was the first year of the relatively stable levels appropriated for these fund sources in that year and going forward. Therefore, the regressed values are not weighted with FY02-03 actual earnings. Cash funds exempt are regressed by $CFE_{reg(n)} = 10,665 + 34(n)$.

Cash Funds Exempt Revenues for the Archives Program						
FY02-03	FY03-04	FY04-05	FY05-06	FY06-07	FY07-08*	FY08-09*

STATE OF COLORADO FY 08-09 BUDGET REQUEST CYCLE: Department of Personnel and Administration

Actual	\$17,089	\$9,599	\$11,283	\$13,168	\$9,083	\$0	\$0
Regressed	\$10,699	\$10,733	\$10,766	\$10,800	\$10,834	\$10,868	\$10,901



* The regressed CFE values for FY 07-08 and FY 08-09 are the requested CFE appropriation settings for those years.

Impact on Other Government Agencies: There is no impact on other government agencies.

Cost Benefit Analysis: This request is made to refinance a portion of the CFE appropriation with a reliable fund source. Since total funding from all sources continually falls short, the program, even with forced reductions of staff and operating expenses, has required a subsidy of General Fund pots in each of the last two fiscal years. Shoring up revenues eliminates the need for a subsidy to the program, freeing up resources for the rest of the Department to be used as they were initially requested and appropriated.

Implementation Schedule:

Task	Month/Year
Supplemental Appropriation	April 2008

Statutory and Federal Authority: 24-80-101 to 113 C.R.S. (2007).

Performance Measures: At this time there is no specific performance measure associated with this request; however, the funding to make staffing levels whole for this statutorily mandated program supports DPA's Objective #5 to "align all relevant tools in concert with identified business needs."

Schedule 13
Change Request for FY 08-09 Budget Request Cycle

Decision Item FY 08-09 ☐ Base Reduction Item FY 08-09 ☐ Supplemental FY 07-08 ☒ Budget Request Amendment FY 08-09 ☐
 Request Title: Document Solutions Group Base - CBI Grant Spending Authority
 Department: Personnel & Administration Dept. Approval by: *[Signature]* Date: January 2, 2008
 Priority Number: Supplemental #3, OSPB Approval: *[Signature]* Date: 12/21/07

		1	2	3	4	5	6	7	8	9	10
	Fund	Prior-Year Actual FY 06-07	Appropriation FY 07-08	Supplemental Request FY 07-08	Total Revised Request FY 07-08	Base Request FY 08-09	Decision/ Base Reduction FY 08-09	November 1 Request FY 08-09	Budget Amendment FY 08-09	Total Revised Request FY 08-09	Change from Base (Column 5) FY 09-10
Total of All Line Items	Total	2,963,545	2,628,267	274,560	2,902,827	2,698,675	0	2,698,675	0	2,698,675	0
	FTE	45.40	60.00	0.00	60.00	60.00	0.00	60.00	0.00	60.00	0.00
	GF	0	0	0	0	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	0	0	0	0	0	0	0	0	0	0
	CFE	2,963,545	2,628,267	274,560	2,902,827	2,698,675	0	2,698,675	0	2,698,675	0
	FF	0	0	0	0	0	0	0	0	0	0
(4) Central Services	Total	2,963,545	2,628,267	274,560	2,902,827	2,698,675	0	2,698,675	0	2,698,675	0
(82) Document	FTE	45.40	60.00	0.00	60.00	60.00	0.00	60.00	0.00	60.00	0.00
Solutions Group,	GF	0	0	0	0	0	0	0	0	0	0
Personal Services	GFE	0	0	0	0	0	0	0	0	0	0
	CF	0	0	0	0	0	0	0	0	0	0
	CFE	2,963,545	2,628,267	274,560	2,902,827	2,698,675	0	2,698,675	0	2,698,675	0
	FF	0	0	0	0	0	0	0	0	0	0

Letternote revised text:

Cash Fund name/number, Federal Fund Grant name: COFRS Fund 610 (Department of Personnel Revolving Fund)

IT Request: ☐ Yes ☒ No

Request Affects Other Departments: ☐ Yes ☒ No If Yes, List Other Departments Here:

CHANGE REQUEST for FY 08-09 BUDGET REQUEST CYCLE

Department:	Department of Personnel and Administration
Priority Number:	Supplemental #3
Change Request Title:	Document Solutions Group Base – CBI Grant Spending Authority

SELECT ONE (click on box):

- ☐ Decision Item FY 08-09
☐ Base Reduction Item FY 08-09
☒ Supplemental Request FY 07-08
☐ Budget Request Amendment FY 08-09

SELECT ONE (click on box):

Supplemental or Budget Request Amendment Criterion:

- ☐ Not a Supplemental or Budget Request Amendment
☐ An emergency
☐ A technical error which has a substantial effect on the operation of the program
☒ New data resulting in substantial changes in funding needs
☐ Unforeseen contingency such as a significant workload change

Short Summary of Request:

This supplemental request supports the spending authority necessary for the Document Solutions Group (DSG) to handle an ongoing project for the Colorado Bureau of Investigation (CBI). The additional cash funds exempt spending authority requested for FY 2007-08 is \$274,560, the exact amount of the federal grant award received by the CBI. Note that this project has a sufficient federal funding stream, and DPA requires only increased spending authority, at no detriment to the State, to perform the requested scope of work.

Background and Appropriation History:

The Document Solutions Group is a State entity that provides document conversion services to other state agencies and political subdivisions. DSG services include micrographic, digital imaging, microfilm conversion, data entry, system development, and on-line web base forms design. Historically, DSG's base work has been data entry. As technology has changed over the last several years, DSG has been able to grow the business to support the technological changes and meet customers' changing needs around electronic documentation. The largest area of growth for DSG has been in the arena of digital conversion, including microfilm conversion, document conversion, and digital storage. This growth has been driven by agencies' need to provide customers with

quick access to information, increased costs for offsite paper document storage, and stricter regulations and standards for protecting data with personal identifiers such as social security numbers, bank account numbers, etc. As this trend has continued, DSG has not had the funding to meet customers' growing needs, resulting in a request for additional spending authority to complete customer projects each year. Though customers have often had the funding and spending authority for services available within existing operating line item appropriations, DSG has not had the requisite matching spending authority to receive the agencies' funding and provide them with the services they require. Without corresponding or contingent spending authority as applicable, DSG is unable to respond to unforeseen service demands. This is compounded by occasional oversights, where matching spending authority was not appropriated within DSG for projects approved in other agencies via change requests that are sometimes approved with necessary funding/appropriations in other agencies' long bills without the necessary matching spending authority in DSG. .

General Description of Request:

The Colorado Bureau of Investigations (CBI) requires temporary data specialists to enter information and complete criminal history information for arrests into the Colorado Crime Information Center (CCIC). The CCIC is the State's law enforcement communication system and is the State's criminal history repository. This system is integrated with the National Crime Information Center (NCIC), the national law enforcement system controlled by the Federal Bureau of Investigation (FBI).

Previously, in an attempt to enter criminal fingerprints into the CCIC system as quickly as possible despite heavy workloads, the CBI entered only the most serious criminal arrest charges into the CCIC system. This has resulted in a large backlog of criminal history data that needs to be processed and entered. CBI received a Federal grant for \$274,560 for FY 2006-07 to assist in addressing this problem and DPA was able to secure JBC approval of a supplemental request in that year for an additional \$274,560 of cash funds exempt spending authority for last fiscal year. The initial grant (#26-RU-15b-1-2) was for the federal fiscal year from October 1, 2006 through September 30, 2007 and in November of 2006, IDS entered into an interagency agreement with CBI to complete this project.

Similarly, for the current federal fiscal year (October 1, 2007 through September 30, 2008 the CBI again received this grant (grant # 27-RU-15b-1-3) in the same amount and entered into another interagency agreement with the Division of Central Services, Integrated Document Solutions to provision the requested scope of work. As such, this request seeks additional cash funds exempt spending authority in the amount of \$274,560 for fiscal year 2007-08.

Duties of Data Entry Personnel

Upon successful completion of a fingerprint-based criminal background check (CBI and FBI) and polygraph examination, IDS will perform the following duties:

- View Colorado Criminal History (CCH) in the CCIC by State Identification Number (SID);
- Compare the CCH to the electronically Archived (ARCS) arrest card;
- Add additional names and Dates of Birth if necessary;
- Add the arrest to the CCH if necessary;
- Modify existing charges in CCH if inaccurate;
- Add date of arrest to main archive screen if necessary; and
- Modify the SID to show record is complete.

Additionally, temporary personnel will compare the CCH record in CCIC to the National Arrest History being stored in the NCIC. If the CCH is the same or has more arrests than the NCIC record the State will “take control” of that record. If the NCIC record has an arrest that the State does not have the employee will mark that arrest and it will be requested from the NCIC. Those requests will then be added to the CCH and, again, the State will “take control” of the record.

Duties of Fingerprint Technicians

IDS will also provide temporary personnel to verify and classify the fingerprints of the criminal history record before the record is completed. The CBI requires additional temporary employees to assist in the fingerprint matching process through the Automated Fingerprint Identification System (AFIS). The fingerprint verification and classification of this record is the final component of the process to update of the criminal history record.

Consequences if Not Funded:

If the funding is not made available for this project, DSG will likely have to turn it down and force the Department of Public Safety to hire from the private sector, increasing the project's overall cost significantly.

Moreover, since DSG's rates (prices) are volume-driven, as fixed costs are spread over a smaller customer base, higher rates will be charged for existing services in general if corresponding spending authority is not approved in cases such as this where the projects are funded in customer agencies. At the same time outsourcing these projects will likely be more costly for agencies' operating and personal services budgets as referenced above. The precedent set if this request is not approved could lead to hardship for many State agencies, and may require increased appropriations to departments in some instances to outsource the work at a higher cost.

Calculations for Request:

Summary of Request FY 07-08	Total Funds	Cash Funds Exempt
Total Request	\$274,560	\$274,560
Division of Central Services, Document Solutions Group, Personal Services –	\$274,560	\$274,560

The following table details the costing components of the above listed project:

	Units	Rate	Cost FY 08
Criminal History Records, CBI			
Temporary State FTE Data Specialist (hours)	8,320	\$16.500	\$137,280
Temporary Contract Data Specialist (hours)	2,080	\$19.000	\$39,520
Temporary Contract Fingerprint Technician (hours)	3,818	\$25.605	\$97,760
Total			\$274,560

Assumptions for Calculations:

Though documented rates are based on the average costs for most common types of project, each specific job is unique; the actual cost is based on an evaluation of the requirements by a DSG service unit specialist and priced using standard internal unit rates.

Impact on Other Government Agencies:

This project was initiated based on the approval of federal grant funding awarded to the Department of Public Safety and the Colorado Bureau of Investigation. If the Document Solutions Group is not granted necessary spending authority to proceed with the project, it is anticipated that the CBI will be forced to seek an outside vendor at a greater price to complete the necessary scope of work.

Cost Benefit Analysis:

Cost	Benefit
\$274,560	Continued use of DSG will provide a continued savings to agencies over the private sector, which was a value of at least \$782,537 in FY 06 (<i>DCS Comparison Report</i>) and is expected to rise each year. Continued use of DSG at a high volume will ensure a continued low cost as compared to the private sector. In addition, funding will guarantee completion and continuation of the current CBI project request and will facilitate the ability to address other state agency requests without compromising base spending authority on this project.

Implementation Schedule:

Task			Month/Year
Project	Agency	Task	
Update Criminal History Records	Public Safety – CBI	Interagency Agreement	October 2007

Statutory and Federal Authority:

C.R.S. 24-30-1101 through 1118. See specifically 24-30-1102 (4), 24-30-1104 (1).
C.R.S. 24-30-1601 through C.R.S. 24-30-1606 (2007)

24-30-1104 – Central Services Functions of the Department

(1) Within the counties of Adams, Arapahoe, and Jefferson and the city and county of Denver only, the department of personnel shall perform the following functions for the executive branch of the state of Colorado, its departments, institutions, and agencies, under the direction of the executive director:

...(b) Review all existing and future services, service applications, software related to services, planning systems, personnel, equipment, and facilities and establish priorities for those that are necessary and desirable to accomplish the purposes of this part 11;

(c) Establish procedures and standards for management of service functions set forth in this part 11 for all state departments, institutions, and agencies;

Executive Order D0004 82, by Governor Richard D. Lamm:

The Pueblo Data Entry Center shall be utilized to the maximum degree possible by all State agencies in compliance with the following guidelines:

1. The Pueblo Data Entry Center shall be the primary source of data entry services for state government.
2. New data entry positions for any State agency or institution may not be established without the approval of the Executive Director, Department of Administration.
3. Outside contractors may not be utilized for data entry purposes without the approval of the Executive Director, Department of Administration. Such approval may be given only if sufficient documentation is provided showing that the Pueblo Data Entry Center cannot provide the needed service.

Performance Measures:

Objective: Develop and Maintain Strategic Partnerships					
Performance Measure	Outcome	FY 05-06 Actual	FY 06-07 Actual	FY 07-08 Projected	FY 08-09 Projected
In order to measure that we will be meeting and exceeding our customers expectations the Division will use the combination of two questions from their annual Customer Satisfaction Survey to determine their success in this area. Questions: Partnership: "I feel that the unit works with me to develop solutions to my needs." Value: "The unit provides a value service."	Benchmark	93%	94%	95%	96%
	Actual	93%	94%		

INTERAGENCY AGREEMENT

THIS contract, Made this __1st__ day of __October__ 2007, by and between the State of Colorado for the use and benefit of the **Department of Public Safety, Colorado Bureau of Investigation**, hereinafter referred to as **CBI**, and the **Department of Personnel and Administration, Division of Central Services, Integrated Document Solutions**, hereinafter referred to as **DCS-IDS**.

Recitals:

Authority exists in the Law and Funds have been budgeted, appropriated and otherwise made available and a sufficient uncommitted balance thereof remains available for encumbering and subsequent payment of this contract under Encumbrance Number that will be assigned at a later date.

CBI has received grant funds, **Grant Number 27-RU-15b-1-2**, hereinafter referred to as the "Grant", a copy of which is attached hereto, for the purpose of **supporting the update of criminal history records**, hereinafter referred to as the "Project".

Required approval, clearance and coordination has been accomplished from and with appropriate agencies; and

NOW THEREFORE, it is hereby agreed that

1. Statement of Work and Responsibilities

Background. The CBI requires temporary data specialists to enter information and complete criminal history information for arrests into the Colorado Crime Information Center (CCIC). The CCIC is the State's law enforcement communication system and is the State's criminal history repository. This system is integrated with the National Crime Information Center (NCIC), the national law enforcement system controlled by the Federal Bureau of Investigation.

Due to previous response to backlog solutions the CBI would receive a fingerprint card on a criminal arrest and would enter only the most serious charges. CBI did this in response to the workload that existed at that time and the need to enter criminal fingerprints into the system as quickly as possible. This has resulted in a large backlog of criminal history data that needs completion. CBI applied for and received a Grant to assist in addressing this problem.

Duties of Data Entry Personnel. Upon successful completion of a fingerprint-based criminal background check (CBI and FBI) and polygraph examination, the **DCS-IDS** will provide data specialists to perform the following duties:

- View Colorado Criminal History (CCH) in the CCIC by State Identification Number (SID);
- Compare the CCH to the electronically Archived (ARCS) arrest card;
- Add additional names and Dates of Birth if necessary;
- Add the arrest to the CCH if necessary;
- Modify existing charges in CCH if inaccurate;
- Add date of arrest to main archive screen if necessary; and
- Modify the SID to show record is complete.

Additionally, the temporary employees will compare the CCH record in CCIC to the National Arrest History being stored in the NCIC. If the CCH is the same or has more arrests than the NCIC record the State will "take control" of that record. If the NCIC record has an arrest that the State does not have the employee will mark that arrest and it will be requested from the NCIC. Those requests will then be added to the CCH and, again, the State will "take control" of the record.

Duties of Fingerprint Technicians. **DCS-IDS** will also provide temporary personnel to verify and classify the fingerprints of the criminal history record before the record is completed. The **CBI** requires additional temporary employees to assist in the fingerprint matching process through the Automated Fingerprint Identification System (AFIS). The fingerprint verification and classification of this record is the final component of the process to update of the criminal history record.

2. Payment Amount and Billing Procedure

Payment Amount. In consideration of the obligation of **DCS-IDS** to perform in accordance with paragraph one, **CBI** will pay:

- \$16.50 per hour per temporary state FTE data specialist,
- \$19.00 per hour per temporary contract data specialist, and
- \$25,60 per hour per temporary contract fingerprint technician

to the **DCS-IDS** upon satisfactory completion of performance. During the performance term, this amount is not to exceed available grant funds of \$274,560.

Billing Procedure. At the end of each month, **DCS-IDS** will provide **CBI** with an invoice for services rendered, including the number of hours worked and the hourly rate. As the seller of these services, **DCS-IDS** will begin a COFRS intergovernmental transfer (IT) document for payment processing by **CBI**.

3. Performance Term. The term of this interagency agreement is from **October 1, 2007** through **September 30, 2008**.
4. Availability of Funds. Payment pursuant to this agreement, if in any part federally funded, is subject to and contingent upon the continuing availability of federal funds for the purposes hereof. If any of said federal funds become unavailable, as determined by the department, either party may immediately terminate or seek to amend this agreement.
5. Record Keeping Requirements. **DCS-IDS** shall maintain a complete file of all records, documents, communications and other material which pertain to this agreement for a period of **three (3)** years from the date of final payment under this agreement, unless **CBI** requests that the records be retained for a longer period.
6. Monitoring. **DCS-IDS** shall permit **CBI** and federal agency monitoring and auditing of records and activities which are or have been undertaken pursuant to this agreement.
7. Assignment. Except as otherwise provided, the duties and obligations of **DCS-IDS** shall not be assigned, delegated or subcontracted except with the express prior written consent of **CBI**. All subcontractors will be subject to the requirements of this agreement.
8. Successors. Except as otherwise stated this agreement shall inure to the benefit of and be binding only upon the parties hereto and their respective successors and assigns. No third party beneficiary rights or benefits of any kind are expressly or impliedly provided herein.

9. Representatives and Notice. For the purpose of this agreement, the persons named below are designated the representatives of the parties. All notice required to be given by the parties shall be given to the representative named below. The parties may designate in writing a new or substitute representative.

DEPT. OF PERSONNEL AND ADMINISTRATION

Mike Sexson, Special Projects Coordinator
Div. of Central Services, Integrated Document Solutions
1001 E 62nd. Ave #B2
Denver, CO 80216
Voice: 303-866-5320
Fax: 303-866-5348
Email: Mike.Sexson@state.co.us

DEPARTMENT OF PUBLIC SAFETY

Jan Simkins, Agent in Charge
Identification Unit
690 Kipling Street, #3000
Denver, CO 80215
Voice: 303-239-4208
Fax: 303-239-5858
Email: Jan.Simkins@cdps.state.co.us

10. Disputes. Any failure of either party to performance in accordance with the terms of this agreement shall constitute a breach of the agreement. Any dispute concerning the performance of this agreement which cannot be resolved at the divisional level shall be referred to superior departmental management staff designated by each department. Failing resolution at that level, disputes shall be presented to the executive directors of each department for resolution. Failing resolution by the executive directors, the dispute shall be submitted in writing by both parties to the State Controller, whose decision on the dispute shall be final.
11. Termination. Any of the parties shall have the right to terminate this agreement by giving the other party **thirty (30)** days notice. If notice is given, the agreement will terminate at the end of **thirty (30)** days, and the liabilities of the parties hereunder for further performance of the terms of the agreements shall thereupon cease, but the parties shall not be released from duty to perform up-to-the-date of termination.
12. Controller's Approval. This interagency agreement shall not be deemed valid until it has been approved by the State Controller or a designated delegate of the State Controller. Payments for performance during the term as stated in 3 above, shall not be made until the contract is validated by the signature of the State Controller or a designated delegate of the State Controller.

DEPARTMENT OF PERSONNEL AND
ADMINISTRATION

Authorized Signature

DEPARTMENT OF PUBLIC SAFETY

Authorized Signature

STATE CONTROLLER:
Leslie M. Shenefelt

By _____

Date 10/18/07



COLORADO DIVISION OF CRIMINAL JUSTICE STATEMENT OF GRANT AWARD (SOGA) NCHIP

FEDERAL PROGRAM INFORMATION

CFDA Number: 16.554

Federal Agency: U.S. Department of Justice, Bureau of Justice Statistics

Federal Award Name and Number: National Criminal History Improvement Program, # 2007-MU-BX-K022

Subgrantee Agency Name: Colorado Bureau of Investigation

Project Director: Ms. Jan Simkins

Project Director Address: Colorado Bureau of Investigation

690 Kipling St., #3000

Denver, CO 80215

Grant Number: 27-RU-15b-1-3

Project Title: Update Historical Criminal History Records

Grant Period: 10/1/2007 to 9/30/2008

Date Issued: 10/1/2007

In accordance with provisions of the Colorado Revised Statutes §24-33.5-502, the Division of Criminal Justice hereby awards a grant to the above-named subgrantee. The attached grant application (Exhibit A), including Special Provisions and Certified Assurances, is incorporated herein as a part of this document.

APPROVED BUDGET

Budget Category	Federal	Cash Match	Total
Personnel	\$0.00	\$63,848.00	\$63,848.00
Supplies and Operating	\$0.00	\$15,007.00	\$15,007.00
Travel	\$0.00	\$0.00	\$0.00
* Equipment	\$0.00	\$0.00	\$0.00
* Professional Services	\$274,560.00	\$0.00	\$274,560.00
TOTAL AWARD AMOUNT	\$274,560.00	\$78,855.00	\$353,415.00

* Purchase of equipment requires prior completion and approval of DCJ Form 13.

* Professional services require prior completion and approval of DCJ Form 16.

SPECIAL CONDITIONS:

1. The recipient shall submit to Division of Criminal Justice, who will then forward to Bureau of Justice Statistics, one copy of all reports and proposed publications resulting from this agreement thirty (30) days prior to public release. Any written, visual, or audio publications, with the exception of press releases, whether published at the grantee's or government's expense, shall contain the following statements:

"This project was supported by Grant No. 2007-MU-BX-K022 awarded by the Bureau of Justice Statistics. The Bureau of Justice Statistics is a component of the Office of Justice Programs, which also includes the Bureau of Justice Assistance, the National Institute of Justice, the Office of Juvenile Justice and Delinquency Prevention, and the Office for Victims of Crime. Points of view or opinions in this document are those of the author and do not represent the official position or policies of the United States Department of Justice."

2. Grantee agrees to comply with the requirements of 28 C.F.R. Part 46 and all Office of Justice Programs policies and procedures regarding the protection of human research subjects, including obtainment of Institutional Review Board approval, if appropriate, and subject informed consent.
3. Grantee agrees to comply with all confidentiality requirements of 42 U.S.C. section 3789g and C.F.R. Part 22 that are applicable to collection, use, and revelation of data or information. Grantee further agrees, as a condition of grant approval, to submit a Privacy Certificate that is in accord with requirements of 28 C.F.R. Part 22 and, in particular, section 22.23.
4. Express written approval from the Division of Criminal Justice must be secured by the Subgrantee prior to the use of any federal funds, either directly or indirectly, in support of enactment, repeal, modification or adoption of any law, regulation or policy, at any level of government.
5. Protective order systems developed with funds awarded under this cooperative agreement will be designed to permit interface with the National Protective Order file maintained by the FBI.
6. Recipient agrees that criminal justice information systems designed, implemented, or upgraded with NCHIP funds will be compatible, where applicable, with the National Incident-Based Reporting System (NIBRS), the National Crime Information Center system (NCIC 2000), the National Criminal Instant Background Check System (NICS), the Integrated Automated Fingerprint Identification System (IAFIS), and applicable statewide or regional criminal justice information sharing standards and plans.
7. The recipient agrees that it will provide data and interface with the FBI's National Sex Offender Registry file and that the equipment and systems acquired under this cooperative agreement will be compatible with the FBI standards.
8. Recipient agrees that activities supported under this award will be coordinated with Federal, State, and local activities relating to homeland security and presale firearm checks, as appropriate.
9. Subgrantee agrees to use the Global Justice Data Model (Global JXDM), also referred to as the Global Justice XML Data Model, specifications and guidelines for this information systems project. Subgrantees shall publish and make available without restriction all schemas (extensions, constraint and proxy) generated as a result of this grant to the component registry as specified in the guidelines. This information is available at www.it.ojp.gov/gixdm. If Subgrantee believes that this project should be exempt from the Global JXDM requirement, they must submit to the Division of Criminal Justice a written statement explaining why they believe the project does not need to follow this Global JXDM provision and are therefore requesting exemption from this requirement. The Division of Criminal Justice will review and respond in writing to the request either affirming the requirement or granting an exemption.

INSTRUCTIONS

1. Grant activities must be based on the approved budget shown on page one of this Statement of Grant Award, and the approved detailed budget(s) within the attached application, which supersedes any earlier budget request submitted, and which may be different from the budget originally submitted in your application. **The Subgrantee Agency must secure prior written approval from DCJ if there is to be a change in any budget category (see DCJ Form 4-A).**
2. The Financial Officer of the project must be provided a copy of this document in order to adequately prepare the necessary financial reports.
3. The Subgrantee Agency affirms that the parties' agreement consists of a two-part document, the Statement of Grant Award (SOGA), and Exhibit A, attached to the SOGA, which contains the Grant Application (including Project Summary, Budget and other Documents), the Certifications, the State Special Provisions, the Grant Requirements, the Federal Certified Assurances, and signatures of persons authorized to sign on behalf of the Subgrantee Agency on each part of the two-part document.

4. Review carefully the current applicable Administrative Guide of the Division of Criminal Justice for this grant program, that includes procedures regarding this document, draw-down of grant funds, reporting requirements and requesting grant modifications.
5. This grant award shall be effective upon the final approval by the State Controller or designee. No payment shall be made pursuant to the grant prior to State Controller approval.
6. This grant award may be voided in whole without further cause if it is not signed by the Subgrantee Agency's Authorized Official and returned to the Division of Criminal Justice within 45 days of the date of issuance.
7. The signature of the Authorized Official below should be the same as the one on the grant application. The subgrantee must promptly notify the Division of Criminal Justice of any changes in the Authorized Official, Project Director, or Financial Officer, by completing and submitting DCJ Form 4-B. (If changes have already occurred, submit completed DCJ Form 4-B with this document).

ADDITIONAL DCJ REQUIREMENTS

- (1) **Commencement within 60 Days.** If the Division concludes that the project has not commenced within 60 days of the start date of the grant period, the Subgrantee Agency must report the following by letter to the Division of Criminal Justice:
 - a. the steps taken to initiate the project;
 - b. the reasons for delay; and,
 - c. the expected starting date.
- (2) **Operational Within 80 Days.** If the Division concludes that the project is not operational within 80 days of the original start date of the grant period, the Division of Criminal Justice may begin termination or reduction in grant award proceedings as described in "Special Provisions & Certified Assurances", Section entitled "Termination or Reduction in Grant Award."
- (3) All subgrants are conditioned on the ability to report to the Division of Criminal Justice all the information contained on the DCJ quarterly narrative and financial reporting forms, which are provided with this SOGA. Technical assistance is available upon request.
- (4) These funds cannot be guaranteed beyond the end date of the grant period on page 1 of this SOGA. Unexpended funds remaining at the end of the grant period must be returned to the Division of Criminal Justice.

RETURN:

ALL SETS of the Statement of Grant Award with ORIGINAL SIGNATURES to: Division of Criminal Justice, Office of Adult and Juvenile Justice Assistance, 700 Kipling Street, Suite 1000, Denver, CO 80215. After other required signatures are obtained, the white SOGA copy with approved application will be returned to your Project Director.

THE PARTIES HERETO HAVE EXECUTED THIS BINDING SUBGRANT AWARD

SUBGRANTEE:

Colorado Bureau of Investigation
Legal Name of Subgrantee Agency

Agency FEIN (or Social Security) # 840644739

BY [Signature]
SIGNATURE of Authorized Official

Robert C. Cantwell, Director
Print Name & Title of Authorized Official

Date Signed: 10/10/07

ATTEST BY:

Provide signature of Corporate/Board Secretary or equivalent, or Town/City/County Clerk, to certify that person named as Authorized Official above has the legal authority to enter into binding legal contracts on behalf of this agency, and is in fact the person who signed where indicated.

[Signature] 10 Oct 07
Signature Date

Budget Analyst 303 239 4204
Title Phone

PLACE AGENCY SEAL HERE

Or

Indicate No Seal Available

STATE OF COLORADO:

BILL RITTER, JR GOVERNOR

BY [Signature]
DIRECTOR Colorado Division of Criminal Justice

Jeanne M. Smith
Print Name & Title of ~~ACTING~~ DIRECTOR

Date Signed: 10-16-07

STATE OF COLORADO LEGAL REVIEW:

See Contract Routing Waiver # N/A

(or, if not waived)

John Suthers, ATTORNEY GENERAL

BY: _____

Date Signed: _____

ALL CONTRACTS & SUBGRANT AWARDS MUST BE APPROVED BY THE STATE CONTROLLER

CRS 24-30-202 requires that the State Controller approve all state contracts. This subgrant award is not valid until the State Controller, or such assistant as he may delegate, has signed it. If performance begins prior to the date below, the State of Colorado may not be obligated to pay for the goods and/or services provided.

STATE CONTROLLER:

Leslie M. Shenefelt

BY [Signature]

DATE 10/17/07

FUNCTION: DOCID: PO RAA CB080000021 10/19/07 10:41:13 AM
 STATUS: PEND3 BATID: ORG: 001-001 OF 001
 H- PURCHASE ORDER INPUT FORM

PO DATE: 10 01 07 ACCTG PRD: 04 08 BUDGET FY: 08
 ACTION: E PO TYPE: 2 COMMENTS:
 VENDOR: NAME:
 I/G IND: Y SELLER FUND: 601 SELLER AGENCY: AEA

CALCULATED DOC TOTAL: 274,560.00 DOC TOTAL: 274,560.00
 LN REF RQ SUB APR SUB T
 NO AGY / NUMBER / LN FND AGY ORG ORG CDE PGM FUNC OBJ OBJ GBL JOB/PROJ X

 RPTC FEE CD UNITS DESCRIPTION AMOUNT I/D P/F

 01- 01 100 RAA CB08 489 6044 1910 C489
 274,560.00 I
 02- RAA
 03- RAA

H--*S403-READY FOR APPROVAL 3

Schedule 13
Change Request for FY 08-09 Budget Request Cycle

Decision Item FY 08-09 ☐ Base Reduction Item FY 08-09 ☐ Supplemental FY 07-08 ☒ Budget Request Amendment FY 08-09 ☒

Request Title: Increase for Operating Expenses of the State Fleet Management Program

Department: Personnel & Administration

Priority Number: Supplemental #4, Budget Amendment #2

Dept. Approval by:

OSPB Approval:

Date: January 2, 2008

Date: 12/21/07

		1	2	3	4	5	6	7	8	9	10
	Fund	Prior-Year Actual FY 06-07	Appropriation FY 07-08	Supplemental Request FY 07-08	Total Revised Request FY 07-08	Base Request FY 08-09	Decision/ Base Reduction FY 08-09	November 1 Request FY 08-09	Budget Amendment FY 08-09	Total Revised Request FY 08-09	Change from Base (Column 5) FY 08-10
Total of All Line Items	Total	17,746,418	18,515,691	2,402,649	20,918,340	18,515,691	0	18,515,691	2,402,649	20,918,340	2,402,649
	FTE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	GF	0	0	0	0	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	0	0	0	0	0	0	0	0	0	0
	CFE	17,746,418	18,515,691	2,402,649	20,918,340	18,515,691	0	18,515,691	2,402,649	20,918,340	2,402,649
	FF	0	0	0	0	0	0	0	0	0	0
(4) Division of Central Services	Total	17,746,418	18,515,691	2,402,649	20,918,340	18,515,691	0	18,515,691	2,402,649	20,918,340	2,402,649
Fleet Management and Motor Pool Services, Operating Expenses	FTE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	GF	0	0	0	0	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	0	0	0	0	0	0	0	0	0	0
	CFE	17,746,418	18,515,691	2,402,649	20,918,340	18,515,691	0	18,515,691	2,402,649	20,918,340	2,402,649
	FF	0	0	0	0	0	0	0	0	0	0

Letternote revised text: This amount shall be from reserves in the Motor Fleet Management Fund

Cash Fund name/number, Federal Fund Grant name: COFRS Fund 607 (Motor Fleet Management Fund)

IT Request: ☐ Yes ☒ No

Request Affects Other Departments: ☐ Yes ☒ No **If Yes, List Other Departments Here:**

CHANGE REQUEST for FY 2008-09

Department:	Colorado Department of Personnel & Administration
Priority Number:	Supplemental #4, Budget Amendment #2
Change Request Title:	Increase for Operating Expenses of the State Fleet Management Program

SELECT ONE (click on box):

- ☐ Decision Item FY 08-09
- ☐ Base Reduction Item FY 08-09
- ☒ Supplemental Request FY 07-08
- ☒ Budget Request Amendment FY 08-09
- ☐ Supplemental Request FY 06-07

SELECT ONE (click on box):

Supplemental or Budget Request Amendment Criterion:

- ☐ Not a Supplemental or Budget Request Amendment
- ☐ An emergency
- ☐ A technical error which has a substantial effect on the operation of the program
- ☒ New data resulting in substantial changes in funding needs
- ☐ Unforeseen contingency such as a significant workload change

Short Summary of Request:

The Department of Personnel & Administration, Division of Central Services, Fleet Management Program and Motor Pool Services requests an increase in spending authority of \$2,402,649 cash funds exempt to the State Fleet Management Operating Expenses line item in FY 2007-08 and \$2,402,649 in FY 2008-09 to address a combination of factors including estimated increases in fuel costs for fleet vehicles, increases in maintenance costs (primarily tire expense), the full year impact of approximately 127 JBC approved fleet additions received in FY 2006-07, a partial year impact of JBC approved vehicle additions for FY 2007-08, and the remaining incremental impact of SB 06-015 which added additional vehicles to the State Fleet beginning with FY 2006-07.

Background and Appropriation History:

The State Fleet Management Program (SFM) is designed to handle all aspects of a vehicle's life from the time of acquisition through disposal. SFM manages all maintenance, repairs, fuel expense, and accident repairs as well as maintaining a robust database with a detailed history for each vehicle. The Program manages these vehicle

assets for all State agencies, helping to control unnecessary expenses, and managing adherence to effective preventive maintenance schedules, while gaining economies of scale and significant price reductions by aggregating purchasing opportunities and funding resources. State Fleet Management is also able to negotiate many private sector services for the State at the lowest cost possible. Examples include: financing, fuel cards, glass, tires, towing, maintenance and repair services, and body repairs.

Further, the State Fleet Management Program provides light duty vehicles including sedans, vans, SUV's, motorcycles, and pickup trucks to all State agencies on a long-term basis. In addition, with the passage of SB-015, all vehicles regardless of size were to be enrolled in the State Fleet Management Program during FY 2006-07. This added an additional 400+ specialized vehicles with a GVWR of one ton and greater to the fleet. With SFM managing all aspects of vehicle procurement and operations—acquisition, repairs, maintenance, and disposal—State agencies and employees can focus all of their resources on accomplishing their program missions.

SFM performs three major roles for the State:

For State departments and agencies, SFM is responsible for providing safe, reliable, cost effective vehicles uniquely tailored to best meet their specific program requirements. For the citizens of the state, SFM insures that State vehicles are purchased and maintained throughout their life cycle at the lowest available cost. For the Legislature, SFM manages statutory programs, ensures legal and regulatory compliance, and provides accurate information concerning trends in expense, utilization, fleet size and other relevant information to facilitate knowledgeable oversight and decision-making.

State Fleet Management is organized into four broad functional areas:

- Vehicle Acquisition and Disposal
- Maintenance Authorization and Control
- Invoice Processing and Account Reconciliation
- Special Project Oversight & Data Integrity

Program expenses are charged back to the user agency through three monthly rate components:

- A fixed rate to recover the debt service cost of vehicle acquisition.
- A variable rate per mile, determined by actual historical expenses for fuel, maintenance, repairs and accident cost.
- A management fee to capture program related fleet expenses for items such as salaries, rent, statewide indirect cost allocations, and miscellaneous operating costs.

This operating expenses line item supports fuel costs, the cost of maintenance and other business operating costs for the State Fleet Management program and all vehicles enrolled in the fleet on behalf of State agency customers. Total fuel expenditures for the fleet are determined by the cost of fuel, the overall average fuel-efficiency of the State fleet, and the number of miles driven fleetwide over the course of the year. For reference, because the State fleet uses approximately four million gallons of fuel per year, each \$.10 increase in fuel price creates a \$400,000 increase in annual expense.

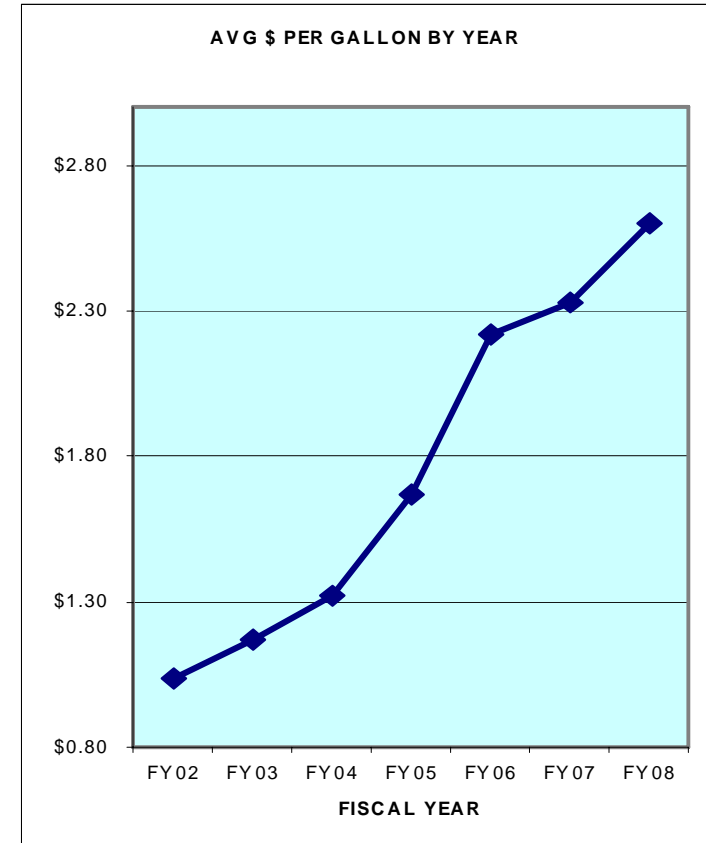
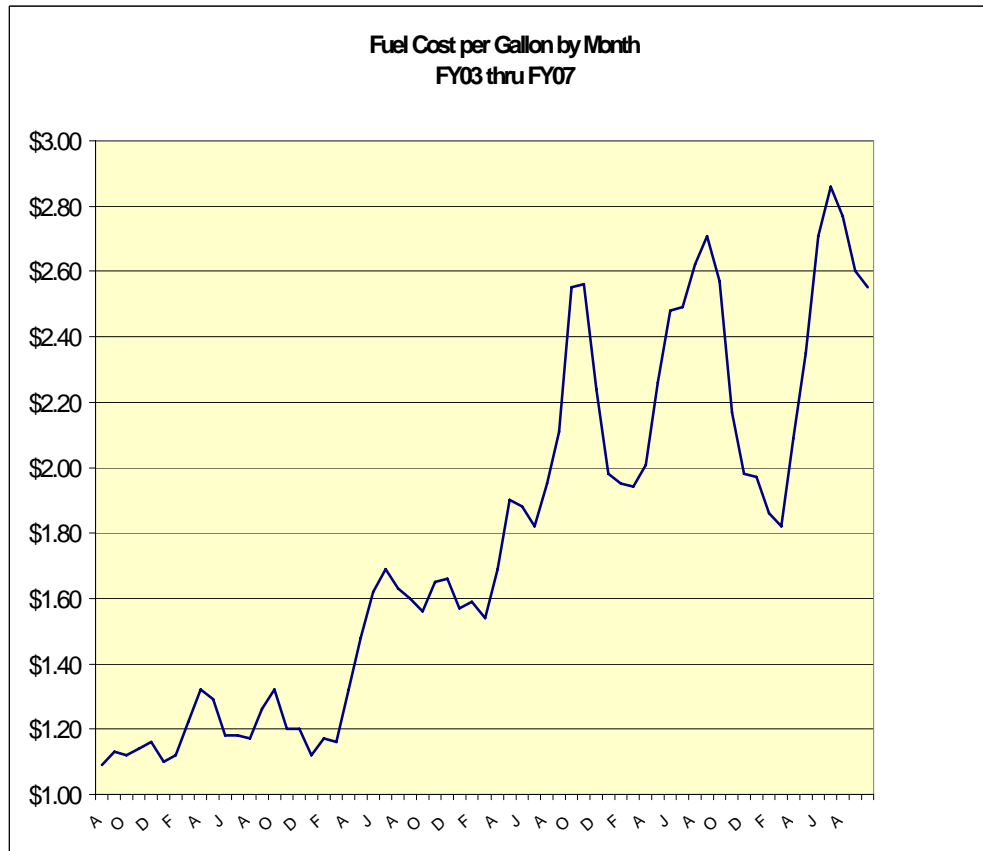
Several factors beyond the State's control require the Department to contemplate adjustments to appropriated spending authority and underlying assumptions concerning fuel and maintenance expenditures annually. Many critical measures have already been adopted in recent fiscal years in an effort to mitigate cost increases including mileage reductions, cost controls, reductions in total fleet size, and a migration to more fuel efficient vehicles. Even with a robust and efficient cost containment structure in place, along with the significant benefits and efficiencies realized through centralized fleet management, SFM still is not immune to the pressures faced by the national and global economy, including the impact of high fuel costs, and the impact of vehicle replacements as it relates to pressure on maintenance costs. In recent fiscal years the appropriation has increased from ~\$12.3 million in FY 2004-05 to \$18,515,691 in the current year Long Bill. The increases year over year have generally been the result of Change Requests submitted by the Department as necessary, along with independent JBC staff analysis and subsequent figure setting recommendations approved by the JBC.

General Description of Request:

This request seeks an increased appropriation in part to address increases in fuel expenditures for the State Fleet Management Program for both FY 2007-08 and FY 2008-09. Note that this request does not require the appropriation of new State moneys to either State Fleet Management or state agency customers in the current fiscal year as variable rates previously established by State Fleet Management prior to the beginning of FY 2007-08 are sufficient to provide the necessary revenue source. As such, sufficient reserves exist in the Motor Fleet Management Fund in the current fiscal year to address this projected level of shortfall.

Similarly, since the State Fleet Management Program intends to set agency rates for FY 2008-09 to meet the projected higher costs, (at levels very similar to those in place for FY 2007-08), sufficient reserves should again exist in the Motor Fleet Management Fund to address at least this level of shortfall. To the extent that factors outside of the Department's control (i.e. significant spikes in fuel costs) cause the need for an even larger appropriation during FY 2008-09, these increased costs may not be able to be absorbed in State agency customer's program operating lines in FY 2008-09, without the need for additional appropriations to those agencies. This issue may be re-examined in a FY 2008-09 supplemental request, if necessary.

Total fuel expenditures for the fleet are determined by the cost of fuel, the overall average fuel-efficiency of the State fleet, and the number of miles driven fleetwide over the course of the year. Because the State fleet uses approximately four and one-half million gallons of fuel per year, each \$.10 increase in fuel price creates a \$450,000 increase in annual expense.

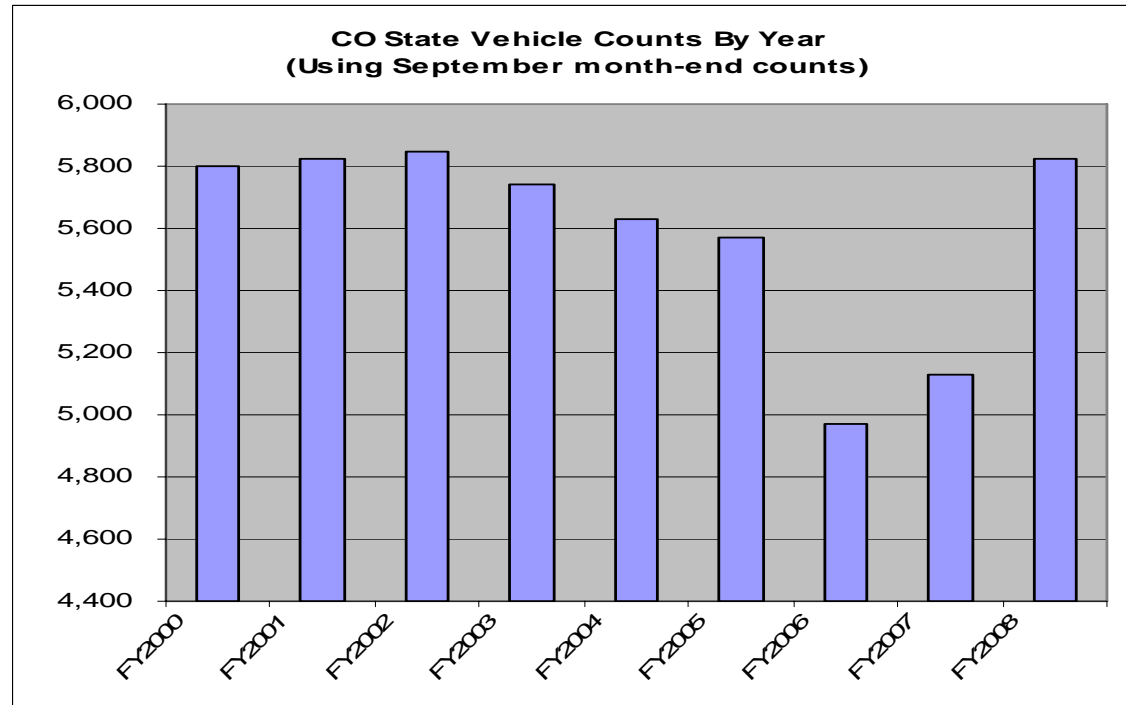


Note that gasoline prices are highly volatile and somewhat seasonal. For example, prices tend to be higher in the summer months when demand is higher due to peak travel and vacation periods. Given this volatility, and the fact that global oil prices are at the highest levels in history, the Department believes it is prudent to fund fuel costs at the rates requested. Since the Department of Energy has the best knowledge of current and future factors that may impact fuel prices, using the most recent forecast available from DOE seems the most reasonable approach.

State fuel price per gallon is the retail pump price less Federal and State taxes. In Colorado these combined taxes equal \$.42 per gallon. For purposes of projecting future cost per gallon figures, it appears that using the numbers from the DOE quarterly projections for the Rocky Mountain Region and increasing this by \$.21 per gallon should give us a good estimate of our anticipated net cost per gallon (after deducting taxes).

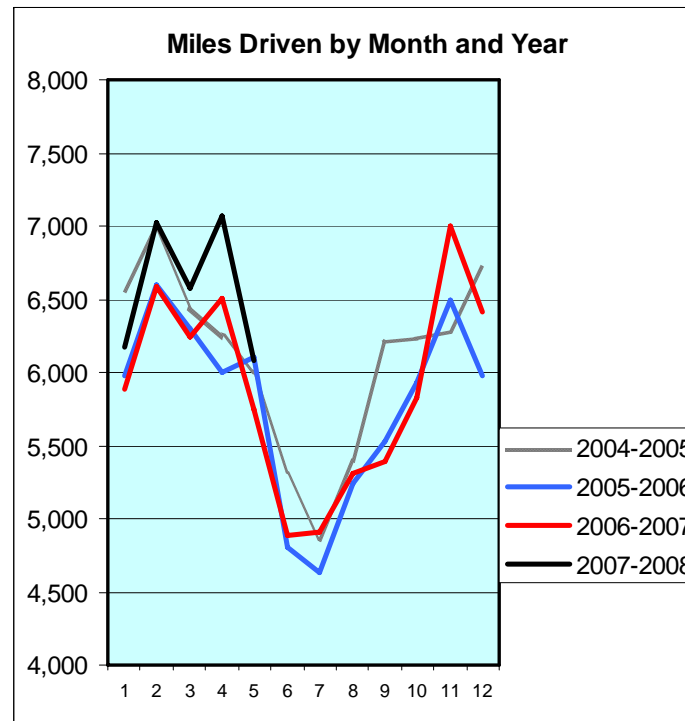
Fuel efficiency also affects total fuel expenditures. Actual fuel efficiency for FY2006-07 was 16.31 miles per gallon, and with the continuing impact of the SB06-015 vehicles (these vehicles average 9.8 miles per gallon) we are estimating FY2007-08 miles per gallon to come in around 16.00. We should begin to see improvements above this level in future years

Another major driver affecting the current shortfall in fuel and maintenance expense funding is the year over year increase in the number of vehicles in the fleet. In recent years vehicle additions have been approved by the legislature for increases in agency program needs (127 in FY 2006-07 and 82 in FY 2007-08), which carry with them the need for additional fuel and maintenance expense and an average of 14,000 additional miles each. This years costs are also driven by the second year impact of the vehicles added to the state fleet program as a result of SB06-015 (483 vehicles). These vehicles were only in the program for 6 months out of FY2006-07 and additional funding is required for another six months for FY2007-08.



For purposes of this request, annual miles driven in the State fleet are projected to be 74,600,000 for FY 2007-08. These mileage increases are being driven by the growth of the State fleet as referenced above. The estimated mileage was derived and validated for reasonableness using multiple forecasting models that have proven quite reliable in the past.

Actual MILES DRIVEN		
FY 01-02	76,011,456	change
FY 02-03	74,223,176	-2.4%
FY 03-04	73,117,480	-1.5%
FY 04-05	73,204,451	1.2%
FY 05-06	69,573,280	-5.0%
FY 06-07	70,684,749	1.6%
FY 07-08 (estimate)	74,600,000	5.5%



Impact of SB 06-015

We now have nearly a year's worth of actual operating data on the vehicles that were brought into State Fleet under SB06-015. The final count is now 483 vehicles. We now have good information related to average annual vehicle use, cost per vehicles to maintain these units, and mile per gallon figures to use in projecting annual impacts. This information has now been incorporated into the attached analysis to assist in developing an accurate assessment of need for FY2007-08 and FY2008-09.

Consequences if Not Funded:

Without the requested increase in spending authority, State Fleet Management will be unable to make payments to vendors for fuel purchased. As referenced previously many critical measures have already been adopted in recent fiscal years, in an effort to mitigate cost increases including mileage reductions, cost controls, reductions in total fleet size, a migration to more fuel efficient vehicles, and numerous ongoing efforts to reduce miles and vehicles. This leaves limited room left to achieve further efficiencies in the short term. In this alternative, it is only the vendors and the good will of the State that suffer, when vendor payments are withheld or delayed.

Calculations for Request:

Summary of Request FY 07-08 (Reconciles to Schedule 13)	Total Funds	Cash Funds Exempt
Total Request [Items below total to this]	\$ 2,402,649	\$2,402,649
Division of Central Services, State Fleet Management & Motor Pool Services, Operating Expenses	\$2,402,649	\$2,402,649

Summary of Request FY 08-09 (Reconciles to Schedule 13)	Total Funds	Cash Funds Exempt
Total Request [Items below total to this]	\$ 2,402,649	\$ 2,402,649
Division of Central Services, State Fleet Management & Motor Pool Services, Operating Expenses	\$2,402,649	\$2,402,649

Comparison of FY07 and FY08 Fleet Operating

		FY07			FY08 Projected			
		Non-SB015	SB015	Total	FY07 Base	SB015	Additions	Total
Miles Driven		69,675,224	1,009,525	70,684,749	70,684,749	1,405,751	2,509,500	74,600,000
FUEL	Gallons Used	4,231,654	103,350	4,335,004	4,335,004	161,354	147,618	4,643,976
	Miles per Gallon	16.47	9.77	16.31	16.31	8.71	17.0	16.1
	Cost per Gallon		\$	2.31			\$	2.61
	Fuel Expense		\$	9,992,806			\$	12,120,776
					3.0%			
MAINT	Maintenance Cost per Mile	\$ 0.0922	\$ 0.3874	\$ 0.0964	\$ 0.0993	\$ 0.3500	\$ 0.0200	\$ 0.1013
	Maintenance Expense	\$ 6,422,704	\$ 391,044	\$ 6,813,748	\$ 7,018,160	\$ 492,013	\$ 50,190	\$ 7,560,363
Total Maintenance & Fuel Expense		\$16,806,554			\$19,681,140			
+ Accident Expense		\$ 618,270			\$ 895,200			
+ Business Operating		\$ 215,564			\$ 227,000			
+ Auction Fees		\$ 106,031			\$ 115,000			
Total Fleet Operating		\$17,746,419			\$20,918,340			
					Current FY08 JBC approved appropriation= \$ 18,515,691			
					Total FY08 Supplemental Need= \$2,402,649			

Explanations and Comments

- SB015 vehicles:** These vehicles were added into the State Fleet based on legislation passed in FY06. The vehicles were in the fleet for 6 months in FY07, so we need additional funding for these vehicles for the other six months for FY08.
- Additions:** This is the incremental impact on miles, gallons and expense for the vehicles approved by the JBC as additions for FY07 and FY08. Includes impact of 127 FY07 additions for partial year (10 months) @21,000 miles per year (=127*21000*5/6=**2,222,500** miles) + partial year impact (2 months) of 82 FY08 approved additions (=82*21000*1/6=**287,000** miles). **Total=2,509,500.**
- FY08 Projected Cost per Gallon:** Based on DOE Oct'07 fuel price forecast, projecting \$2.23 for 1Q'08 and \$2.55 for 2Q'08= avg.\$2.39+\$0.21=\$2.60 for the remainder of FY08. YTD is \$2.61 so average will be about \$2.61. This is based on 3rd Qtr of 2007 where DOE showed an average of \$2.43 per Gallon (excl. taxes) for Rocky Mtn region. Actual State fuel price was an average of \$2.64 (excl. taxes)...a difference of \$.21/gal.(\$2.64-\$2.43)
- 3% Increase in Maintenance Cost per mile for FY08:** 3% is result of 1.6% increase in repair and glass, and a 20% increase in tire expense. Tires are partially petroleum based and tire prices are increasing substantially as a result of fuel price increases. (Actual 25% ytd)
- Estimated \$.02 per mile for additions:** Reflects the very low operating expense per mile for vehicles during their first year of service.
- Accident Expense:** Based on current FY08 run rate of \$.012 per mile for accident expense.
- Business Operating:** In FY07 Motor Pool was charged for only a partial year of parking. This was the first year the Motor Pool has been charged for parking. Ther should be an additional \$11,500 in parking charges for FY08 and thereafter..

Assumptions for Calculations:

The Fleet Management and Motor Pool Services, Operating Expenses line item supports the cost of maintenance, fuel, and other operating costs for the State Fleet Management program (excluding salaries, rent, statewide indirect costs and miscellaneous operating expenses that would be in the management fee charged to participating State agencies).

Economic drivers for fuel expenses include: a) the cost of fuel, b) average fuel efficiency of the State fleet, and c) annual number of miles driven. The Department's assumptions for each of these factors are noted below:

- a) To estimate the State's need, the Department has used the U.S. Department of Energy's quarters 3 and 4 forecasts for fuel prices (as of October 2007), averaged to equal to \$2.43 per gallon. The request also includes a per gallon inflationary factor to bring the averaged forecast figure in line with what the Department experienced during quarters 1 and 2. The final price for fuel (before taxes) is therefore calculated to equal \$2.61 per gallon, which is an increase of \$0.30 over FY 06-07 prices.
- b) The Department estimates that the statewide average fuel efficiency per vehicle in the State fleet will be 16 miles per gallon. This is slightly lower than the FY 06-07 actual fuel efficiency figure of 16.31 miles per gallon, and is based on the inclusion of all SB 06-015 vehicles which have an average efficiency of 9.8 miles per gallon. Including the additional vehicles added late in FY 06-07 and anticipated late in FY 07-08, plus the annualization of SB 06-015 vehicles, has resulted in the Department estimates of average efficiency of 16.1 mpg for all vehicles in FY 07-08.
- c) Projected miles driven for the year are projected at 74,600,000. This is 3,915,251 miles more than were driven by the State fleet in FY 06-07. This increase is due largely to the annualization associated with adding nearly 500 SB 06-015 vehicles to the State fleet for the full year – in FY 06-07, these vehicles were only included in the State fleet for 6 months. Additionally, the projection takes into account 127 vehicles that were added in FY 06-07 for only 2 months and 82 vehicles that will be added in FY 07-08 for 2 months.

Aside from fuel costs, the Department has also included additional funding in its request for maintenance, accidents, and business operating. These increases are outlined below:

- The Department included ~ \$0.03 per mile as an increase for maintenance costs (due to a 1.6% increase in repair and glass replacement and a 20% increase in tire replacements, which are heavily influenced by petroleum prices) of the “base fleet” and a \$0.02 per mile cost for maintenance for new vehicles since the end of FY 06-07.
- Accident expenses are estimated to equal approximately \$0.12 per mile. .
- Business operating has be increased by \$11,500 due to a full year of parking costs associated with the State Motor Pool – during FY 06-07, Motor Pool was only charged a partial year for parking.

Impact on Other Government Agencies:

This request is for DPA spending authority only and therefore does not require the appropriation of new state funds. In addition, this request does not impact other agency budgets that participate in the State Fleet Management Program as existing reserves in the Motor Fleet Management Fund (COFRS Fund 607) are available to address the increase without passing additional costs on to agencies.

Cost Benefit Analysis:

This supplemental reflects a significant increase in the cost of operating the State fleet, however, there is no incremental cost increase for the agencies associated with this request. Payments will be made from existing State Fleet funds and there are no additional agency appropriations required. Without the requested spending authority, SFM will not be able to utilize these funds to pay vendors for work performed and for fuel used through the end of the year, with potentially negative impact to both the vendors and to the financial reputation of the State.

Performance Measure:

The following performance measure from the Department's FY 2008-09 Strategic Plan is directly related to the topic of the request and is replicated verbatim below:

Objective: Support Greening of State Government					
Performance Measure	Outcome	FY 05-06 Actual	FY 06-07 Actual	FY 07-08 Projected.	FY 08-09 Projected
Align State Fleet Management initiatives with Greening of State Government Executive Order in order to reduce the amount of petroleum used by the State Fleet by 25% by 2012. The performance measure will be the cumulative % of decrease achieved.	Benchmark	N/A	+.3%	-5%	-10%
	Actual	2,601,786 Base gals.	*2,610,311		

* FY 06-07 includes gallons for additional vehicles added at the end of FY 05-06 and includes gallons for all additional vehicles approved by the JBC for FY 06-07. None of these gallons were in the original FY 05-06 base.

Statutory and Federal Authority:

24-30-1104 C.R.S. 2007 - Central Services Functions of the Department - definitions

(2) In addition to the county-specific functions set forth in subsection (1) of this section, the department of personnel shall take such steps as are necessary to fully implement a central state motor vehicle fleet system by January 1, 1993. The provisions of the motor vehicle fleet system created pursuant to this subsection (2) shall apply to the executive branch of the state of Colorado, its departments, its institutions, and its agencies; except that the governing board of each institution of higher education, by formal action of the board, and the Colorado commission on higher education, by formal action of the commission, may elect to be exempt from the provisions of this subsection (2) and may obtain a motor vehicle fleet system independent of the state motor vehicle fleet system. Under the direction of the executive director, the department of personnel shall perform the following functions pertaining to the motor vehicle fleet system throughout the state:

(a) Establish and operate a central state motor vehicle fleet system and such subsidiary-related facilities as are necessary to provide for the efficient and economical use of state-owned motor vehicles by state officers and employees;

(b) Establish and operate central facilities for the maintenance, repair, and storage of state-owned passenger motor vehicles for the use of state agencies; utilize any available state facilities for that purpose; and enter into contracts with such facilities as are necessary to carry out the provisions of this part 11;

(c) (I) Adopt uniform rules for motor vehicle acquisition, operation, maintenance, repair, and disposal standards. Uniform rules adopted by the executive director of the department of personnel pertaining to acquisition of motor vehicles by lease or purchase shall provide that low energy consumption shall be a favorable factor in determining the low responsible bidder. The size of any passenger motor vehicle shall not be greater than necessary to accomplish its purpose.

Schedule 13
Change Request for FY 08-09 Budget Request Cycle

Request Title: Training Services Refinance
 Department: Personnel and Administration
 Priority Number: Supplemental #5 and Budget Amendment #3

Decision Item FY 08-09 ☐ Base Reduction Item FY 08-09 ☐ Supplemental FY 07-08 ☒ Budget Request Amendment FY 08-09 ☒

Dept. Approval by: *[Signature]* Date: 1/2/08
 OSPB Approval: *[Signature]* Date: 12/17/07

		1	2	3	4	5	6	7	8	9	10
	Fund	Prior-Year Actual FY 06-07	Appropriation FY 07-08	Supplemental Request FY 07-08	Total Revised Request FY 07-08	Base Request FY 08-09	Decision/ Base Reduction FY 08-09	November 1 Request FY 08-09	Budget Amendment FY 08-09	Total Revised Request FY 08-09	Change from Base (Column 5) FY 09-10
Total of All Line Items	Total	55,822	78,980	0	78,980	78,980	0	78,980	0	78,980	0
	FTE	0.00	1.00	0.00	1.00	1.00	0.00	1.00	0.00	1.00	0.00
	GF	0	0	0	0	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	25,572	25,444	44,770	70,214	25,444	0	25,444	44,770	70,214	44,770
	CFE	30,250	53,536	(44,770)	8,766	53,536	0	53,536	(44,770)	8,766	(44,770)
	FF	0	0	0	0	0	0	0	0	0	0
(2) Division of Human Resources											
(A)(2) Training Services, Personal Services	Total	42,942	61,811	0	61,811	61,811	0	61,811	0	61,811	0
	FTE	0.00	1.00	0.00	1.00	1.00	0.00	1.00	0.00	1.00	0.00
	GF	0	0	0	0	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	25,572	25,444	27,601	53,045	25,444	0	25,444	27,601	53,045	27,601
	CFE	17,370	36,367	(27,601)	8,766	36,367	0	36,367	(27,601)	8,766	(27,601)
	FF	0	0	0	0	0	0	0	0	0	0
(2) Division of Human Resources											
(A)(2) Training Services, Operating Expenses	Total	12,880	17,169	0	17,169	17,169	0	17,169	0	17,169	0
	FTE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	GF	0	0	0	0	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	0	0	17,169	17,169	0	0	0	17,169	17,169	17,169
	CFE	12,880	17,169	(17,169)	0	17,169	0	17,169	(17,169)	0	(17,169)
	FF	0	0	0	0	0	0	0	0	0	0

Letternote revised text:

Cash Fund name/number, Federal Fund Grant name:

Fees for services (COFRS 100).

IT Request: ☐ Yes ☒ No

Request Affects Other Departments: ☐ Yes ☒ No

If Yes, List Other Departments Here:

CHANGE REQUEST for FY 08-09 BUDGET REQUEST CYCLE

Department:	Personnel and Administration
Priority Number:	Supplemental #5, Budget Amendment #3
Change Request Title:	Training Services Funding Adjustment

SELECT ONE (click on box):

- ☐ Decision Item FY 08-09
☐ Base Reduction Item FY 08-09
☒ Supplemental Request FY 07-08
☒ Budget Request Amendment FY 08-09

SELECT ONE (click on box):

Supplemental or Budget Request Amendment Criterion:

- ☐ Not a Supplemental or Budget Request Amendment
☐ An emergency
☐ A technical error which has a substantial effect on the operation of the program
☒ New data resulting in substantial changes in funding needs
☒ Unforeseen contingency such as a significant workload change

Short Summary of Request:

This budget neutral (\$0) request for the Training Services program in the Division of Human Resources is to adjust fund splits in the appropriations by increasing cash funds (CF) by \$44,770 and reducing cash funds exempt (CFE) by (\$44,770). This refinance is requested for both FY 07-08 and FY 08-09 as a result of the increased interest in courses by cash funded agencies and self-paying employees.

Background and Appropriation History:

The Professional Development Center (PDC) within the Training Services program develops strategies to assess and meet the training and career development needs of State employees. Services include developing and delivering courses, identifying training needs, assessing the effectiveness of training provided, and approving waivers for training obtained outside of the program. The unit supports the statutory requirement for the “establishment and maintenance of training programs for employees in the state personnel system” per Section 24-50-122, C.R.S. (2007).

After the General Fund cuts beginning in FY 02-03, program revenues dropped substantially presumably due to agencies spending their reduced appropriations on other

priorities. This trend continued until total revenues seemed to bottom out in FY 05-06. As a consequence, the appropriation for this program was gradually reduced after successive years of spending authority reversions. However, revenues seem to have rebounded as of the last fiscal year, and redoubled efforts in marketing, a partnership with Colorado State University, and popular recent offerings to employees regarding retirement planning may sustain this growth for the current fiscal year and beyond.

Another development in recent fiscal years that has influenced the increase of cash fund revenues (and a related decrease in CFE revenues) is the new enterprise status of higher education agencies. This became especially noticeable in FY 05-06 when funding for the Department of Higher Education (DoHE) began to be reported as CF rather than CFE as in prior years. More notable still is the earned cash funds in FY 06-07 when revenues from their participation nearly doubled. The table below shows this shift in revenue and an upward trend for cash fund receipts beginning in FY 04-05.

Program Revenue from DoHE	Cash Funds	Cash Funds Exempt	Total
FY 02-03	\$0	\$31,965	\$31,965
FY 03-04	\$0	\$20,977	\$20,977
FY 04-05	\$0	\$9,533	\$9,533
FY 05-06	\$15,864	\$2,819	\$18,683
FY 06-07	\$31,810	\$883	\$32,693

General Description of Request:

The program seeks to adjust fund splits in the Training Services appropriations through this budget neutral request to increase cash funds spending authority with an equal decrease to cash funds exempt authority based on the following rationale:

- Expanded curriculum has resulted in an increase in individual attendance (generally cash funded) and cash funded onsite agency training requests.

- Expanded outreach and marketing has increased interest and scheduling of training by cash funded agencies.
- Pre-retirement workshops, which are new to the PDC curriculum, are primarily cash funded. Interest has proven to be very high among State employees for these course offerings.

The program observed the development of these trends at the end of last fiscal year and generated \$21,397 cash funds revenue that it could not use because the spending authority for this fund source was not set high enough. The program anticipates that this trend will continue and that cash funds revenue in FY 07-08 and beyond will be more than double those generated in FY 06-07. Therefore, the request is made to increase cash funds spending authority by \$44,770 with a like decrease to cash funds exempt spending authority for FY 07-08 and FY 08-09.

Consequences if Not Funded:

If this budget neutral request to adjust funding levels is not appropriated, the program will be unable to spend the revenue that it generates to perform its statutorily obligated operations. Courses may need to be cancelled or postponed to future fiscal years without the ability to utilize the revenue generated in the current fiscal year. Additionally, since unused revenues from this program revert to the General Fund, no reserve balance created from unusable revenues in the current fiscal year may be appropriated in future fiscal years for program expenses.

Calculations for Request:

Summary of Request FY 07-08	Total Funds	Cash Funds	Cash Funds Exempt
Total Request	\$0	\$44,770	(\$44,770)
Training Services, Personal Services	\$0	\$27,601	(\$27,601)
Training Services, Operating Expenses	\$0	\$17,169	(\$17,169)

STATE OF COLORADO FY 08-09 BUDGET REQUEST CYCLE: Personnel and Administration

Summary of Request FY 08-09	Total Funds	Cash Funds	Cash Funds Exempt
Total Request	\$0	\$44,770	(\$44,770)
Training Services, Personal Services	\$0	\$27,601	(\$27,601)
Training Services, Operating Expenses	\$0	\$17,169	(\$17,169)

The following table represents five years of actual data for cash and cash funds exempt revenues from FY 03-04 through FY 06-07. It calculates an estimate for the cash funds increase (and equivalent CFE decrease) for this request.

Program Revenue Source	FY 02-03	FY 03-04	FY 04-05	FY 05-06	FY 06-07	FY 07-08 estimate
Cash Funds Exempt	\$241,183	\$182,511	\$100,053	\$71,982	\$73,617	\$72,800
Appropriation	\$329,623	\$320,350	\$321,551	\$216,716	\$148,189	\$121,333
Reversion to General Fund	\$0	\$0	\$0	\$0	\$0	\$0
Cash Funds	\$28,286	\$50,301	\$8,419	\$24,188	\$46,969	\$70,214
Appropriation	\$21,419	\$52,075	\$59,560	\$55,393	\$25,572	\$25,444
Reversion to General Fund (= decrease to cash funds exempt spending authority and corresponding increase to cash funds spending authority)	(\$6,867)	\$0	\$0	\$0	(\$21,397)	(\$44,770)
Total Revenue	\$269,469	\$232,812	\$108,471	\$96,170	\$120,586	\$143,014
Total Appropriation	\$351,042	\$372,425	\$381,111	\$272,109	\$173,761	\$146,777
Difference	(\$81,573)	(\$139,613)	(\$272,640)	(\$175,939)	(\$53,175)	(\$3,763)

Assumptions for Calculations:

The following table represents assumptions for the sources of anticipated cash funds revenue. Revenue projections are derived from actual revenue to date, current enrollments in agency-funded courses through the rest of the fiscal year, and anticipated participation of employees in courses in the general curriculum that are self-paid rather than agency funded. For these, it is assumed that 308 enrollments will occur (the

program's expectation from demand experienced) with an average cost of \$83 (308 x \$83 = \$25,564).

Source of Cash Funds Revenue	FY 07-08 Estimate
Pre-retirement workshops (typically self-paid by employees)	\$10,350
Onsite classes (higher education institutions and others)	\$24,700
Colorado State University partnership	\$9,600
Employee self-paid enrollments in the PDC general curriculum	\$25,564
Total anticipated cash funds revenue	\$70,214

As the "Program Revenue Source" table in the "Calculations for Request" section indicates, an additional \$44,770 in cash funds revenue is projected by the program to be generated above and beyond the existing appropriation. This projection drives the need to increase the appropriation so that the program may effectively use these revenues for its operations. The calculation of estimated need is simply the total estimated cash revenues less current the cash funds appropriation. The cash funds exempt appropriation would be reduced by a like amount.

For lack of a great amount of history for the program at the current appropriation level, two years' data for cash funds exempt revenue is used to approximate anticipated average funding from this source, i.e., $\$72,800 = (\$71,982 + \$73,617)/2$. Revenue beyond the CFE appropriation in the Training Services line items will be used to fund expenses from central appropriations; e.g., expenses for capitol complex leased space, workers' compensation, risk management, etc., for Training Services. As for total revenue, the table indicates that FY 06-07 had the greatest level of earned revenues of the past five fiscal years. The projection for FY 07-08 indicates that revenues will nearly break even with total appropriations, per program expectations.

Impact on Other Government Agencies:

There is no funding impact to other agencies.

Cost Benefit Analysis:

This budget neutral request (\$0 cost) to adjust fund splits between cash funds and cash funds exempt sources will create the estimated benefit of available spending authority to offer pre-retirement workshops (\$10,350), continue the Colorado State University partnership (\$9,600), and provide opportunities for an estimated 308 employees in course offerings through the general curriculum (\$25,564).

A second benefit of having the appropriation adjusted this way is that in the case that cash revenues do not meet the program's expectations, a statutory fund source transfer can occur per 24-75-107.5 (1), C.R.S. (2007), to again increase cash funds exempt spending authority, if needed:

“Upon approval of the governor, the head of a principal department may transfer cash-spending authority within any item of appropriation which operates to increase a cash fund exempt appropriation by decreasing a cash fund appropriation in a corresponding amount so that such transfer does not increase the total cash fund spending authority within the item of appropriation.”

This makes the requested adjustment less risky for the program's funding potential, since there is little history under the current model to make anything more than basic projections.

Implementation Schedule:

Effective upon passage of the supplemental bill for FY 07-08 and long bill for FY 08-09.

Statutory and Federal Authority:

24-50-122 C.R.S. (2007).

Performance Measures:

At this time there is no specific performance measure associated with this request; however, the adjustments to the funding for this statutorily mandated program supports DPA's Objective #5 to “align all relevant tools in concert with identified business needs.”

Schedule 13
Change Request for FY 08-09 Budget Request Cycle

Request Title: Decision Item FY 08-09 ☐ Base Reduction Item FY 08-09 ☐ Supplemental FY 07-08 ☒ Budget Request Amendment FY 08-09 ☒
 Department: Green Fleet Coordinator
 Priority Number: Personnel and Administration
 Supplemental #6, Budget Amendment #4
 Dept. Approval by: *David [Signature]* Date: 12/14/07
 OSPB Approval: *[Signature]* Date: 12/18/07

		1	2	3	4	5	6	7	8	9	10
	Fund	Prior-Year Actual FY 06-07	Appropriation FY 07-08	Supplemental Request FY 07-08	Total Revised Request FY 07-08	Base Request FY 08-09	Decision/ Base Reduction FY 08-09	November 1 Request FY 08-09	Budget Amendment FY 08-09	Total Revised Request FY 08-09	Change from Base (Column 5) FY 09-10
Total of All Line Items	Total	18,598,838	19,315,253	16,174	19,331,427	19,346,857	0	19,346,857	53,273	19,400,130	53,329
	FTE	14.90	16.00	0.30	16.30	16.00	0.00	16.00	1.00	17.00	1.00
	GF	0	0	0	0	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	0	0	0	0	0	0	0	0	0	0
	CFE	18,598,838	19,315,253	16,174	19,331,427	19,346,857	0	19,346,857	53,273	19,400,130	53,329
	FF	0	0	0	0	0	0	0	0	0	0
(4) Division of Central Services	Total	852,420	799,562	12,481	812,043	831,166	0	831,166	52,323	883,489	52,379
(C) Fleet Management Program and Motor Pool Services, Personal Services	FTE	14.90	16.00	0.30	16.30	16.00	0.00	16.00	1.00	17.00	1.00
	GF	0	0	0	0	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	0	0	0	0	0	0	0	0	0	0
	CFE	852,420	799,562	12,481	812,043	831,166	0	831,166	52,323	883,489	52,379
	FF	0	0	0	0	0	0	0	0	0	0
(4) Division of Central Services	Total	17,746,418	18,515,691	3,693	18,519,384	18,515,691	0	18,515,691	950	18,516,641	950
(C) Fleet Management Program and Motor Pool Services, Operating Expenses	FTE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	GF	0	0	0	0	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	0	0	0	0	0	0	0	0	0	0
	CFE	17,746,418	18,515,691	3,693	18,519,384	18,515,691	0	18,515,691	950	18,516,641	950
	FF	0	0	0	0	0	0	0	0	0	0

Letternote revised text:
 Cash Fund name/number, Federal Fund Grant name: Motor Fleet Management Fund (COFRS 607).

IT Request: ☐ Yes ☒ No

Request Affects Other Departments: ☐ Yes ☒ No If Yes, List Other Departments Here:

CHANGE REQUEST for FY 08-09 BUDGET REQUEST CYCLE

Department:	Personnel and Administration
Priority Number:	Supplemental #6 and Budget Amendment #4
Change Request Title:	Green Fleet Coordinator

SELECT ONE (click on box):

- ☐ Decision Item FY 08-09
☐ Base Reduction Item FY 08-09
☒ Supplemental Request FY 07-08
☒ Budget Request Amendment FY 08-09

SELECT ONE (click on box):

Supplemental or Budget Request Amendment Criterion:

- ☐ Not a Supplemental or Budget Request Amendment
☐ An emergency
☐ A technical error which has a substantial effect on the operation of the program
☒ New data resulting in substantial changes in funding needs
☒ Unforeseen contingency such as a significant workload change

Short Summary of Request:

The State Fleet Management Program (SFM) in the Division of Central Services (DCS) anticipates a significant workload increase in its efforts to meet or exceed the vehicle fleet initiatives of Executive Order D007 12 concerning Greening Government. Consequently, this request is for funding in FY 07-08 of 0.3 FTE and \$16,174 cash funds exempt (CFE) and continuation funding in FY 08-09 of 1.0 FTE and \$53,273 CFE to perform these duties.

Background and Appropriation History:

The Fleet Management Program owns, manages, and operates the State's vehicle assets as defined in 24-30-1102 C.R.S. (2007). Services provided include (but are not limited to) accident investigation, safety training, driver education, vehicle inspections and procurement, vehicle selection and valuation, seminar presentation, management, statistical analysis, data collection and technology assessment. Section 24-30-1104 C.R.S. (2007) et seq. provides the statutory authorization for the Fleet Management Unit of the Division.

The new requirements of the Greening Government Executive Order requires fleet management to work closely with the Greening Government Program Manager and the Bio-fuels Program Manager, located in the Governor's Energy Office to aggressively pursue achievement of the petroleum reduction goal through driver and vehicle coordinator training and education, ensuring that the vehicle requested is the most efficient vehicle for the job, managing the procurement process in a way that maximizes the number of hybrid, flex-fuel, and other fuel efficient vehicles available for purchase, and coordinates with the Governor's Bio-fuels Coalition to ensure sufficient bio-fuels infrastructure and availability.

General Description of Request:

The State Fleet Management Program is responsible for the procurement, management, and administration of the State's fleet. In April, 2007 Governor Ritter signed Executive Orders D0011 07 and D0012 07, Greening Government. The Executive Orders call for State government to lead by example and reduce its impact on the environment. Specifically, State departments and agencies are asked to reduce their volumetric petroleum consumption by 25% in the next five years.

The more efficient State fleet will actually have to reduce its consumption by an even greater amount than 25% because the fleet is expected to continue to grow in the number of vehicles and vehicle miles traveled due to growth in Colorado population and the government programs necessary to serve that population. This is indeed a significant goal which, if achieved, will provide enormous benefit to the citizens of Colorado in the form reduced carbon dioxide and other pollutants, cost savings through reduced fuel purchases, and aid market transformation of green fleet vehicles, practices, and fuels. Providing funding in FY 07-08 of 0.3 FTE and \$16,174 CFE and continuation funding in FY 08-09 of 1.0 FTE and \$53,273 CFE as described above will ensure that Green Government policies and initiatives for the State's fleet are properly administered and monitored.

It is expected that the Green Fleet Coordinator will perform a vehicle utilization audit to review each vehicle type requested and ensure that the vehicle selection is not oversized or undersized for the job. The FTE will be responsible for educating State employees in

fuel-efficient driving techniques, such as anti-idling and slow-start practices and strategies to reduce vehicle miles traveled such as using audio conferencing and ride sharing. Additionally, the FTE will educate fleet and vehicle coordinators in techniques to ensure optimal fuel efficiency; e.g., ensuring proper tire pressure is maintained.

Consequences if Not Funded:

Currently, State Fleet Management has no staff devoted to this project. If this request is not funded, SFM will not have the resources to effectively perform this function and will need to redirect current resources to the Executive Order. The net effect would be that the State Fleet Management Program would be forced to reduce its services to departments and agencies in other areas at a time when those organizations will be seeking additional guidance and assistance to follow the Executive Order. This would severely limit the Program's ability to provide assessment and training services to State agencies geared toward reducing petroleum consumption. Such limitation would have a long-term negative impact on the Program's efforts to operate and maintain a fuel-efficient fleet.

Calculations for Request:

Summary of Request FY 07-08	Total Funds	Cash Funds Exempt	FTE
Total Request	\$16,174	\$16,174	0.3
(C) Fleet Management Program and Motor Pool Services, Personal Services	\$12,481	\$12,481	0.3
(C) Fleet Management Program and Motor Pool Services, Operating Expenses	\$3,693	\$3,693	

Summary of Request FY 08-09	Total Funds	Cash Funds Exempt	FTE
Total Request	\$53,273	\$53,273	1.0
(C) Fleet Management Program and Motor Pool Services, Personal Services	\$52,323	\$52,323	1.0

Summary of Request FY 08-09	Total Funds	Cash Funds Exempt	FTE
(C) Fleet Management Program and Motor Pool Services, Operating Expenses	\$950	\$950	

OSPB Common Policy for FTE Requests			
FTE and Operating Costs			
Fiscal Year(s) of Request		FY 07-08	FY 08-09
PERSONAL SERVICES	Title:	General Professional III	
Number of PERSONS / class title		1	1
Number of months <u>working in</u> FY 07-08, FY 08-09 and FY 09-10		3	12
Number months <u>paid in</u> FY 07-08, FY 08-09 and FY 09-10		3	12
Calculated FTE per classification		0.25	1.00
Annual base salary		\$44,736	\$46,884
Salary		\$11,184	\$46,884
PERA	10.15%	\$1,135	\$4,759
Medicare	1.45%	\$162	\$680
Subtotal Personal Services		\$12,481	\$52,323
OPERATING EXPENSES			
Supplies @ \$500/\$500	\$500	\$125	\$500
Computer @ \$900/\$0	\$900	\$900	\$0
Office Suite Software @ \$330/\$0	\$330	\$330	\$0
Office Equipment @ \$2,225 /\$0	\$2,225	\$2,225	\$0
Telephone Base @ \$450/\$450	\$450	\$113	\$450
Subtotal Operating Expenses		\$3,693	\$950
GRAND TOTAL ALL COSTS		\$16,174	\$53,273

Assumptions for Calculations:

The classification for this FTE will be General Professional III. This level is chosen so that the position is filled with a professional that works independently in performing the full range of analyses, evaluations and tasks related to the “greening” initiative. Experience and knowledge of theories and best practices will be used to make professional judgments in the adaptation and skilled application of guidelines to solve the full range of problems related to the assignment with SFM. The position will serve as a specialist and resource to others for this statewide program.

The request conforms with OSPB common policies for personal services and operating expenses, including calculating salaries at the minimum of the range for the appropriate fiscal year. For the General Professional III classification, the monthly range minimum is \$3,728 for FY 07-08 and \$3,907 for FY 08-09. The Department will absorb costs for Amortization Equalization Disbursements (AED) and Supplemental Amortization Equalization Disbursements (SAED).

Impact on Other Government Agencies:

As with other SFM positions, the costs for this position will be worked into the regular rate setting processes for State Fleet Management; no participating agency appropriations are adjusted. It is not possible to determine exact impacts to affected agencies (all agencies that participate with the State’s Fleet Program) since the factors involved are highly variable, e.g., they depend upon number of vehicles, total mileage, fuel and maintenance costs specific to user agencies.

Cost Benefit Analysis:

Costs in FY 07-08 of 0.3 FTE and \$16,174 CFE and in FY 08-09 of 1.0 FTE and \$53,273 CFE will provide benefit to the citizens of Colorado through reduced carbon dioxide emissions and other pollutants, savings from reduced fuel purchases, and aid market transformation of green fleet vehicles, practices, and fuels.

Implementation Schedule:



Task	Month/Year
FTE Hired	April 2008

Statutory and Federal Authority: The Fleet Management Program owns, manages, and operates the State's vehicle assets as defined in 24-30-1102 C.R.S. (2007).

Performance Measure(s):

Objective: Support Greening of State Government					
Performance Measure	Outcome	FY 05-06 Actual	FY 06-07 Actual	FY 07-08 Projected.	FY 08-09 Projected
Align State Fleet Management initiatives with Greening of State Government Executive Order in order to reduce the amount of petroleum used by the State Fleet by 25% by 2012. The performance measure will be the cumulative % of decrease achieved.	Benchmark	0	0	5%	10%
	Actual	2,601,786 Base gallons	2,706,902 gallons		

Schedule 13
Change Request for FY 08-09 Budget Request Cycle

Request Title: Decision Item FY 08-09 ☐ Base Reduction Item FY 08-09 ☐ Supplemental FY 07-08 ☒ Budget Request Amendment FY 08-09 ☒
 State Fleet Management Corresponding Spending Authority for Department of Human Services Supplemental #S-1 - Staff and Operating Funding to Improve Monitoring of the Not Guilty by Reason of Insanity Outpatients in the Community
Department: Personnel & Administration **Dept. Approval by:**  **Date:** January 2, 2008
Priority Number: Non-Prioritized Supplemental #1, Non-Prioritized **OSP Approval:**  **Date:** 12-22-07
 Budget Amendment #1

		1	2	3	4	5	6	7	8	9	10
	Fund	Prior-Year Actual FY 06-07	Appropriation FY 07-08	Supplemental Request FY 07-08	Total Revised Request FY 07-08	Base Request FY 08-09	Decision/ Base Reduction FY 08-09	November 1 Request FY 08-09	Budget Amendment FY 08-09	Total Revised Request FY 08-09	Change from Base (Column 5) FY 09-10
Total of All Line Items	Total	12,479,698	13,210,618	2,796	13,213,414	13,210,618	0	13,210,618	11,185	13,221,803	11,185
	FTE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	GF	0	0	0	0	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	1,847,561	1,948,015	0	1,948,015	1,948,015	0	1,948,015	0	1,948,015	0
	CFE	10,632,137	11,262,603	2,796	11,265,399	11,262,603	0	11,262,603	11,185	11,273,788	11,185
	FF	0	0	0	0	0	0	0	0	0	0
(4) Division of Central Services	Total	12,479,698	13,210,618	2,796	13,213,414	13,210,618	0	13,210,618	11,185	13,221,803	11,185
Fleet Management and Motor Pool Services,	FTE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Vehicle Replacement	GF	0	0	0	0	0	0	0	0	0	0
Lease, Purchase or Lease/Purchase	GFE	0	0	0	0	0	0	0	0	0	0
	CF	1,847,561	1,948,015	0	1,948,015	1,948,015	0	1,948,015	0	1,948,015	0
	CFE	10,632,137	11,262,603	2,796	11,265,399	11,262,603	0	11,262,603	11,185	11,273,788	11,185
	FF	0	0	0	0	0	0	0	0	0	0

Letternote revised text:

Cash Fund name/number, Federal Fund Grant name: COFRS Fund 607 (Motor Fleet Management Fund)

IT Request: ☐ Yes ☒ No

Request Affects Other Departments: ☒ Yes ☐ No If Yes, List Other Departments Here: Department of Human Services

Schedule 13
Change Request for FY 08-09 Budget Request Cycle

Request Title: Decision Item FY 08-09 ☐ Base Reduction Item FY 08-09 ☐ Supplemental FY 07-08 ☒ Budget Request Amendment FY 08-09 ☒
Department: CDLE Unemployment Insurance Mail Reimbursements
Priority Number: Personnel and Administration **Dept. Approval by:** *Darryl Chittent* **Date:** 12/17/07
 Non-prioritized Supplemental #2, Budget Amendment **OSP Approval:** *In ME* **Date:** 12/27/07
 #2

		1	2	3	4	5	6	7	8	9	10
	Fund	Prior-Year Actual FY 06-07	Appropriation FY 07-08	Supplemental Request FY 07-08	Total Revised Request FY 07-08	Base Request FY 08-09	Decision/ Base Reduction FY 08-09	November 1 Request FY 08-09	Budget Amendment FY 08-09	Total Revised Request FY 08-09	Change from Base (Column 5) FY 09-10
Total of All Line Items	Total	5,836,181	6,788,394	950,067	7,738,461	6,677,444	0	6,677,444	1,266,756	7,944,200	1,266,756
	FTE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	GF	1	0	0	0	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	555,400	697,515	0	697,515	697,515	0	697,515	0	697,515	0
	CFE	5,280,780	6,090,879	950,067	7,040,946	5,979,929	0	5,979,929	1,266,756	7,246,685	1,266,756
	FF	0	0	0	0	0	0	0	0	0	0
(4) Division of Central Services											
(B)(3) Mail Services, Operating Expenses	Total	5,836,181	6,788,394	950,067	7,738,461	6,677,444	0	6,677,444	1,266,756	7,944,200	1,266,756
	FTE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	GF	1	0	0	0	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	555,400	697,515	0	697,515	697,515	0	697,515	0	697,515	0
	CFE	5,280,780	6,090,879	950,067	7,040,946	5,979,929	0	5,979,929	1,266,756	7,246,685	1,266,756
	FF	0	0	0	0	0	0	0	0	0	0

Letternote revised text:

Cash Fund name/number, Federal Fund Grant name: Department of Personnel Revolving Fund (COFRS 601)

IT Request: ☐ Yes ☒ No

Request Affects Other Departments: ☐ Yes ☒ No If Yes, List Other Departments Here:

Schedule 13
Change Request for FY 08-09 Budget Request Cycle

Request Title: Decision Item FY 08-09 ☐ Base Reduction Item FY 08-09 ☐ Supplemental FY 07-08 ☒ Budget Request Amendment FY 08-09 ☒
 State Fleet Management Corresponding Spending Authority for Department of Public Safety Supplemental #S-1 - CSP - ESU Capitol Complex Public Safety Improvements

Department: Personnel & Administration **Dept. Approval by:** *[Signature]* **Date:** January 2, 2008
Priority Number: Non-Prioritized Supplemental #3, Non- Prioritized Budget Amendment #3 **OSPB Approval:** *[Signature]* **Date:** 12/31/07

		1	2	3	4	5	6	7	8	9	10
	Fund	Prior-Year Actual FY 06-07	Appropriation FY 07-08	Supplemental Request FY 07-08	Total Revised Request FY 07-08	Base Request FY 08-09	Decision/ Base Reduction FY 08-09	November 1 Request FY 08-09	Budget Amendment FY 08-09	Total Revised Request FY 08-09	Change from Base (Column 5) FY 09-10
Total of All Line Items	Total	12,479,698	13,210,618	0	13,210,618	13,210,618	0	13,210,618	3,840	13,214,458	7,680
	FTE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	GF	0	0	0	0	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	1,847,561	1,948,015	0	1,948,015	1,948,015	0	1,948,015	0	1,948,015	0
	CFE	10,632,137	11,262,603	0	11,262,603	11,262,603	0	11,262,603	3,840	11,266,443	7,680
	FF	0	0	0	0	0	0	0	0	0	0
(4) Division of Central Services											
Fleet Management and	Total	12,479,698	13,210,618	0	13,210,618	13,210,618	0	13,210,618	3,840	13,214,458	7,680
Motor Pool Services,	FTE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Vehicle Replacement	GF	0	0	0	0	0	0	0	0	0	0
Lease, Purchase or	GFE	0	0	0	0	0	0	0	0	0	0
Lease/Purchase	CF	1,847,561	1,948,015	0	1,948,015	1,948,015	0	1,948,015	0	1,948,015	0
	CFE	10,632,137	11,262,603	0	11,262,603	11,262,603	0	11,262,603	3,840	11,266,443	7,680
	FF	0	0	0	0	0	0	0	0	0	0

Letternote revised text:

Cash Fund name/number, Federal Fund Grant name: COFRS Fund 607 (Motor Fleet Management Fund)

IT Request: ☐ Yes ☒ No

Request Affects Other Departments: ☒ Yes ☐ No If Yes, List Other Departments Here: Department of Public Safety

